

Just about managing

**Report from interviews
conducted by Citizens Advice
Sheffield**

November 2018



Sheffield

Just About Managing: Research Findings

Executive Summary

This piece of exploratory research sought to uncover some of the obstacles faced by people in Sheffield who may be considering taking on additional paid work to improve their household circumstances. The study highlights a range of factors, both financial and non-financial, which have the potential to prevent those who are working part-time from seeking and securing additional paid work. Our recommendations provide suggestions for how some of these issues might be tackled and highlight areas for future research.

Working part-time is not always a choice: some participants were unable to secure additional work, or to progress in their current jobs, despite trying to do so.

Real and perceived difficulties in securing appropriate childcare act as an obstacle to work for some, with mistrust of formal childcare featuring alongside concerns about its availability and cost. Additional barriers were perceived and/or experienced by lone parents and parents of children with disabilities who took part in the study.

Health-related issues emerged as another barrier to work; some respondents reported that they were well enough to work part-time but not full-time.

Confusion and concern about whether or not additional paid work would equate to being better off overall was an obstacle for many of those in receipt of means-tested benefits, particularly those who were repaying benefits overpayments.

Universal Credit (UC) is explicitly intended to overcome some of these obstacles to work, not least the issue of the 'poverty trap', whereby individuals are better off financially in receipt of welfare benefits than in full-time, paid employment. The UC system encompasses a heightened regime of conditionality (whereby claimants are sanctioned if they fail to meet particular obligations such as seeking and taking up full-time paid work). Barriers to work must be acknowledged and addressed if claimants are to meet the conditions attached to their benefits and avoid sanctions. Work Coaches¹ should have a responsibility to help people overcome these barriers.

¹ Work Coaches are front-line DWP staff based in Jobcentres. Their main role is to support claimants into work.

Repeating this research once Universal Credit has been fully rolled out in Sheffield would enable a better understanding of whether the obstacles (both real and perceived) raised here have been eliminated.

Background to the Research

“Just about managing” is a term coined by politicians in recent years to describe a section of society which comprises working households that are struggling to make ends meet. In theory, if more job opportunities are available the answer to improved circumstances should be to take on additional paid work. We sought to explore whether this is a viable answer for people who are “just about managing”.

This piece of exploratory research sought to uncover some of the obstacles faced by people in Sheffield who may be considering taking on additional paid work to improve their household circumstances. The aim was to understand more about the factors affecting people’s decision-making around whether or not to take on extra work.

The research took place prior to the roll-out of Universal Credit (UC) Full Service in Sheffield. This is notable because 70% of relevant participants in the study (those working part-time) were in receipt of the previous (aka “legacy²”) versions of means-tested benefits for low income working age people and one of the policy goals of Universal Credit is to encourage people to take up more paid work.

Research questions

- **Q1. What are the reasons why people do / do not look for additional work?**
Respondents were asked about whether they had looked for additional work over the past year and the reasons why (or why not). Incentives and disincentives for moving into full-time work were discussed.
- **Q2. What are the obstacles faced by people who have tried to take on additional paid work?**
Those who had looked for additional work over the past year were asked about any obstacles they had faced.
- **Q3. Do those who are working part-time have the opportunity to progress in their careers?**
Respondents were asked about whether there was any possibility of taking on a higher paid role or getting a pay-rise in their current job.

² ‘Legacy benefits’ are those that are due to be replaced by Universal Credit: Housing Benefit, income-related Employment and Support Allowance, income-based Jobseeker’s Allowance, Child Tax Credit, Working Tax Credit and Income Support.

- **Q4. Do people who are working part-time believe that they would be better off financially if they took on additional paid work?**

This question was asked in order shed light on people’s beliefs about whether or not they would be better off. This was assumed to be a key factor affecting people’s job-seeking behaviour and motivation for finding work (or lack of).

Method

The method used was a telephone interview. The first section of the interview was structured and entailed a list of predominantly multiple-choice questions, the second section was less structured and followed a more conversational format (See Appendix A for interview guide). Each interview lasted around 10-15 minutes.

Sampling

The findings are based on a purposive sample of 20 people who had previously received debt advice from Citizens Advice Sheffield. Using Citizens Advice records, people were telephoned who met the following criteria:

- Working part-time (under 30 hours per week)
- Living in Sheffield
- Had previously received debt advice from Citizens Advice Sheffield
- Had consented to being contacted

It is important to note that this is a non-probability sample meaning that it is not possible to make generalisations about the wider population based on these findings.

Demographics of sample

	Gender	Ethnicity	Health / disability	Employment status	Occupation
P001	Male	Other - Arab	None	Employed	Kitchen Porter
P002	Male	White - British	None	Employed	Delivery driver
P003	Female	Black or Black-British - African	Long-term	Long-term sick / disabled	N/A
P004	Female	White - British	None	Employed	Retail
P005	Female	White - British	None	Employed	Care work
P006	Female	Black or Black-British - African	None	Employed	Nurse
P007	Female	White - British	Long-term	Employed	Hairdresser
P008	Female	White - British	Long-term	Employed	Retail
P009	Female	White - British	Unknown	Employed	Marketing
P010	Female	White - British	None	Employed	Cleaner
P011	Female	White - British	None	Employed	Cleaner

	Gender	Ethnicity	Health / disability	Employment status	Occupation
P012	Male	White - British	None	Employed	Cleaner
P013	Male	Black or Black-British - African	None	Employed	Factory worker
P014	Male	Black or Black-British - African	None	Unemployed	N/A
P015	Male	White - British	None	Employed	Delivery driver
P016	Female	White - British	None	Employed	Cleaner
P017	Female	White - British	None	Employed	Slimming club consultant
P018	Female	Black or Black-British - Caribbean	Long-term	Employed	Cleaner
P019	Female	White - British	Long-term	Unemployed	N/A
P020	Female	White - British	None	Employed	School kitchen worker

There were 20 research participants ranging in age from 26 to 59 years old. 17 of the 20 respondents were working part-time, none were working full-time. **The remainder of this report focuses on the data relating to the 17 respondents who were working part-time, as this is the population of interest.**

The sample included a range of different household types and financial circumstances:

Figure 1: Research participants by household type (part-time workers)

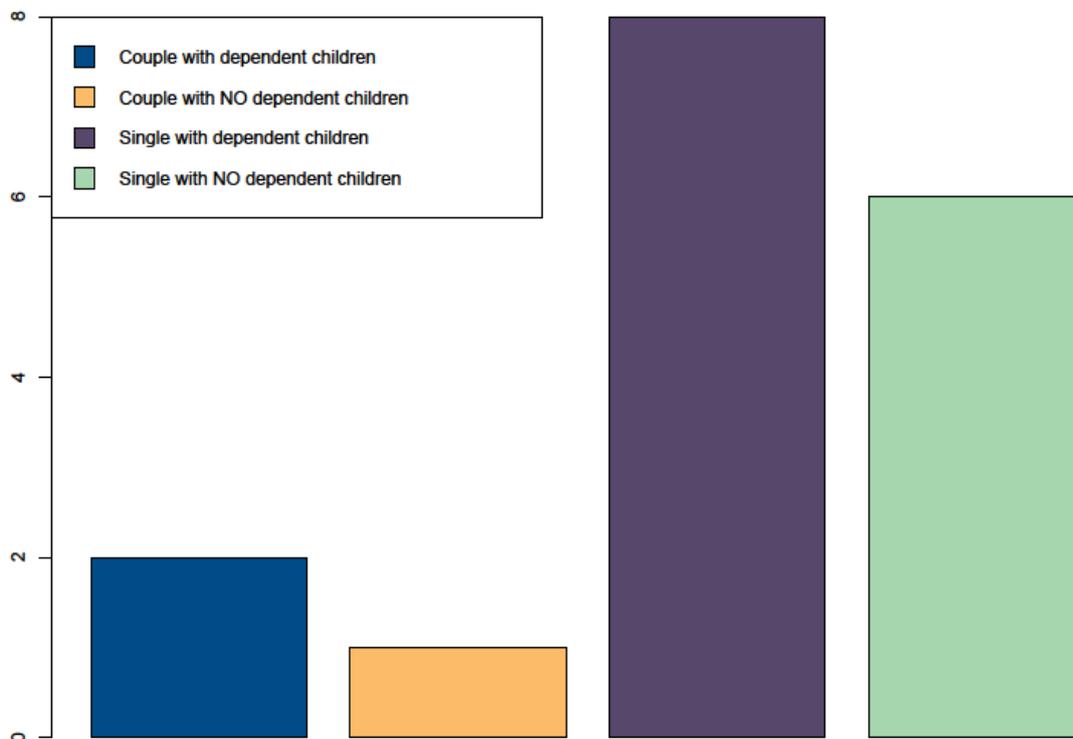


Figure 2: Rate of pay (part-time workers)

9 respondents were earning minimum wage, 8 were earning above minimum wage:

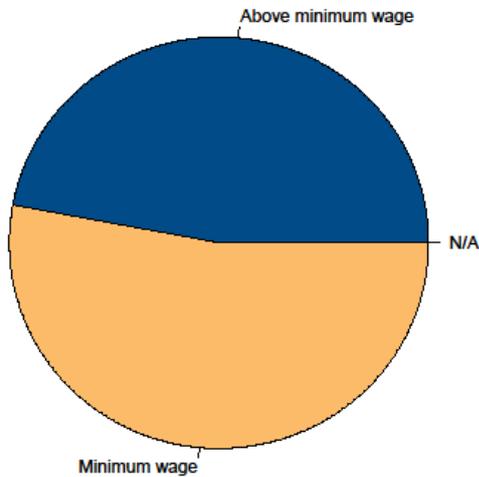
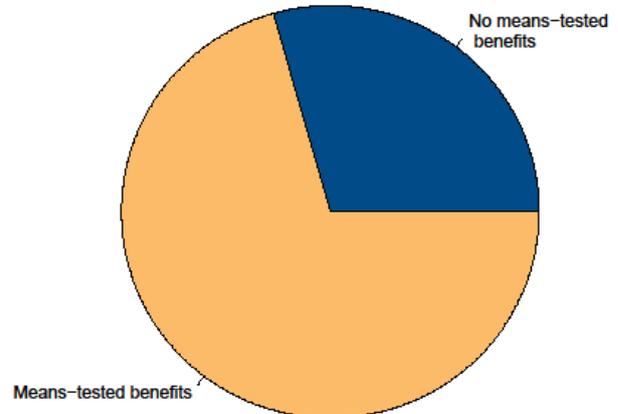


Figure 3: Respondents in receipt of means-tested benefits (part-time workers)

12/17 respondents were in receipt of means-tested welfare benefits:

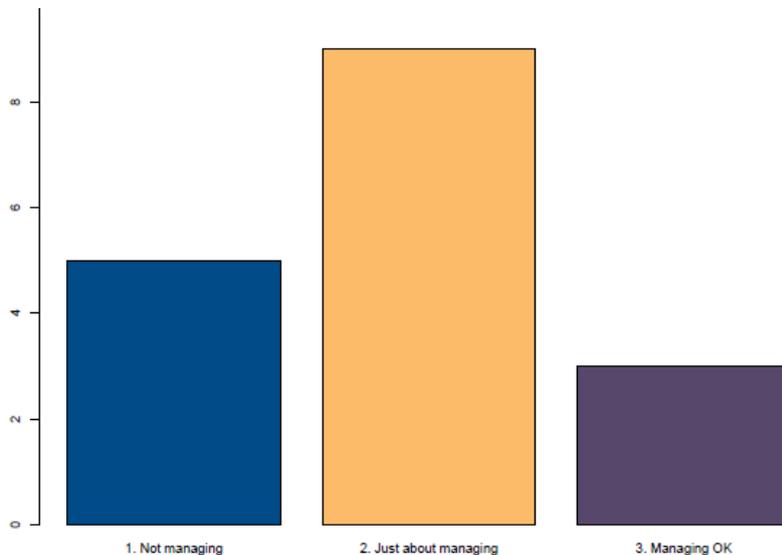


No respondents were receiving Universal Credit, those who were in receipt of benefits were receiving legacy benefits.

When asked to describe their current financial situation, 9 respondents identified themselves as 'just about managing', 5 as 'not managing' and 3 as 'managing OK'³

All respondents had received debt advice from Citizens Advice so will have been encouraged to consider taking on extra work as part of income maximisation. Evidently, the sample included people in a range of different circumstances allowing us to gain insights from a diverse range of people.

Figure 4: Financial situation (part-time workers)



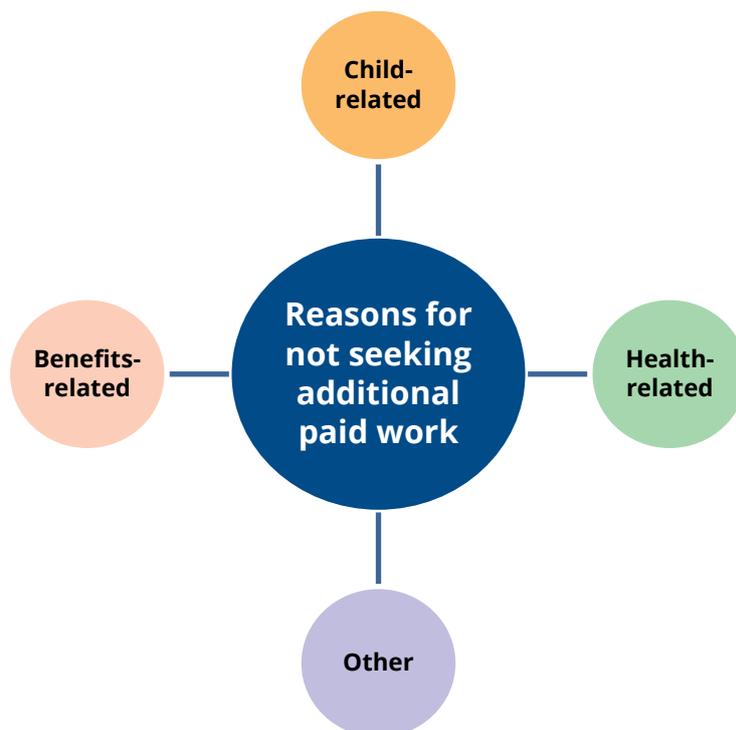
³ This was a multiple choice question (see Appendix A).

Findings

Q1. What are the reasons why people do / do not look for additional paid work?

i. Reasons for not seeking additional paid work

Figure 5: Reasons for not seeking additional paid work (part-time workers)



Of the 17 respondents who were working part-time, ten had not made any attempts to find additional work over the past year. When asked why, a number of themes emerged. The most prominent were child-related issues followed by benefits-related issues and health-related issues, other reasons included a lack of motivation and valuing free time. No-one said that they didn't need the additional income.

Child-related reasons

Child-related issues emerged as the most common reason for respondents not seeking additional paid work. The issues raised were as follows:

- **Negative perception of formal childcare services**
Disapproval and/or distrust of formal childcare services was expressed by many respondents:

"I wouldn't just leave him with anybody." (P004: Female, lone parent)

"She's my child, I raise her. I don't like other people raising her." (P005: Female, couple with dependent children)

Some perceived it as unethical / morally wrong:

"And as a single parent, I don't think it's fair to allow my child to be brought up by somebody else." (P006: Female, lone parent)

"I don't agree with people putting their kids in breakfast clubs or after school clubs or stuff like that, I think you should always work round your kids 'cos if you're not able to look after them yourself then why have them?" (P008: Female, couple no dependent children).

- **High cost of childcare**

Childcare was perceived by some as unaffordable and/or not financially viable:

"Take on extra work, and what? Pay out for childcare? It doesn't make sense, it doesn't tally. Because all I'd be doing is working to pay more childminding fees." (P006: Female, lone parent)

"No, I haven't [looked for additional work] because I'd have to pay extra nursery. Nursery costs a fortune and she's only three, so, at the moment I just put her in for a couple of afternoons." (P016: Female, lone parent)

- **Wanting to spend time with children**

Some respondents stated this as a reason for not wanting to work additional hours:

"If I work full-time, then he goes to bed at half-past seven, eight o'clock at night, so I'm never going to see him, am I?" (P004: Female, lone parent)

"I think if you're in a relationship with somebody you're best off working full-time but as I am now, I wouldn't see my daughter if I worked full-time, because of the hours that I have to work." (P010: Female, lone parent)

One respondent had previously worked full-time but had reduced her hours in order to spend more time with her children due to the negative effect it was having on her family (See Case Study 1).

- **Unable to find additional work that fits around school hours**

Several respondents stated this as a reason for not seeking additional paid work.

- **Lack of available childcare**

One respondent perceived there to be a lack of childcare available:

"...what childcare is there? Where would he go?" (P004: Female, lone parent)

- **Children with special needs**

One respondent raised issues related to her daughter's disability (see Case Study 1)

- **Caring for grandchildren**

One respondent had reduced her hours to part-time in order to care for her grandson so that her daughter could return to work.

Benefits-related reasons

Benefits-related issues emerged as the second most common reason for respondents not seeking additional paid work.

- **Benefits being decreased or stopped**

Many respondents believed that they would be no better off financially if they took on additional work as their benefits would be decreased or stopped:

"[If working full-time]... I'd have to pay full rent, full council tax, then what would I live off?" (P004: Female, lone parent)

"It's pointless because I'm going through a divorce and then I'd lose my benefits wouldn't I? So I'm just trying to keep my head above water, so I might as well just stick to my 16 hours." (P007: Female, single, no dependent children)

"If I pick up an extra shift, that shift will just get taken off my benefits anyway and I'll probably be ten, twenty pound a week less, just for doing that extra shift." (P015: Male, lone parent)

- **Benefits overpayments**

One respondent who was repaying a £2500 overpayment of Housing Benefit explained that any additional hours she worked would have gone towards the overpayment:

"What would happen is, they would then recalculate it, that I've earned extra money than what I should earn, and then they would take it out of my benefit money. So basically, I'd just be working for nothing anyway. There's no benefit for me working". (P010: Female, lone parent)

However, this respondent had since applied for a Debt Relief Order (DRO)⁴, meaning that her overpayment would be cleared once the order ends.. That would mean that

she would then be able to pick up overtime to increase her earnings when she needed extra money.

Four respondents in total had received support from Citizens Advice to apply for a DRO. All said that this had made a positive difference in terms of enabling them to manage their finances.

- **Fear of benefits being disrupted**

One respondent had opted against looking for additional work because he believed it would cause disruption to his Housing Benefit⁵:

“Well I’ve gotta make sure you see that I get enough in to cover me – if I start getting some extra work and then it goes back down then you’ve got to keep taking your things in for housing, if you know what I mean?” (P012, Male, single, no dependent children)

Health-related reasons

Health-related reasons emerged as the third major obstacle to taking on additional work. Several respondents felt able to manage part-time work but felt that full-time work would **exacerbate their physical and/or mental health issues**:

“Well I’d like to be able to [take on additional work] but ... I’m still suffering with depression and everything and anxiety and all that, so, at the moment I’m alright with what I’m doing”. (P007: Female, single, no dependent children)

“I’d had two major operations and then health problems and obviously I couldn’t work for a bit...I still struggle with a lot of depression...I could up my hours if I wanted to, and yeah it probably would help quite a lot more, but obviously at the minute I don’t want to push myself and then go back into another rut if you know what I mean?” (P008: Female, couple with no dependent children)

One respondent had reduced her working hours due to the **medication** she was taking:

“...I did work full-time last year but it was a struggle, it was a struggle with the medication I’m on...I had to start at six in the morning while eight and I couldn’t take my arthritis tablets or my blood pressure tablets, so I had to pack that in.” (P018: Female, lone parent)

⁴ A DRO is a type of insolvency suitable for people on a low income, who are unable to pay back their debts. Benefits overpayments can be included in DROs.

⁵ Whenever a change of circumstances is reported Housing Benefit is suspended until supporting evidence of the change is provided.

Two respondents had lost their jobs due to **work-related accidents**, both had returned to work on a part-time basis.

Other reasons

Two other reasons for not taking on additional paid work emerged from the research:

- **Valuing free time**

One respondent chose not to take on additional paid work because she valued the time to herself:

"I do like that bit of 'me time' 'cos both my daughters work now. My husband works, I only work part-time. So I get days where I'm in the house on my own and I love it." (P008: Female, couple with no dependent children)

- **Lack of motivation**

Only one respondent reported that he wanted additional work but hadn't sought any up until now due to being "lazy".

Finally, it is worth noting that many respondents expressed an intention to increase their working hours in future once their circumstances had changed (children starting school, health improving etc.).

The findings show that there are a wide range of issues which can affect people's decision-making around whether or not to look for additional paid work, many of which are non-financial.

ii. Work incentives: Reasons for seeking additional paid work

7/17 respondents who were working part-time had tried to find additional work over the past year. A range of different incentives emerged:

Financial incentives

The most common reason for seeking additional work was the desire for increased income.

Setting a positive example

Two respondents wanted to increase their hours in order to "set an example" to their children:

"I like working ... I want to set an example to my daughter so that is why I work. I don't really think I'm any better off." (P010: Female, lone parent)

"I've brought my children up with a good work ethic, you know, they both work, they both know that that's how you get nice things." (P017: Female, couple with children)

Child-related benefits ending

One respondent had attempted to increase his hours in anticipation of his child-related benefits coming to an end:

"... if you're a part-time worker, single parent, there's a lot of benefits out there. Fair enough they're starting to slash them down now but I'm still better off as I am – part-time with the benefits, but I'll be coming out of that system soon because my children now are almost all grown up. They're coming to the end of their education life so they'll be getting their own jobs and leaving or staying, so I'll be out of the benefits circle anyway so that's why I've been voicing my concerns for extra shifts." (P015 – Male, lone parent)

Other reasons

Other reasons for seeking additional work were: a desire for career progression, enjoyment of work, increased availability for work and the social benefits of working.

Some respondents choose to look for extra work despite it making them worse off financially. The findings show that there are many non-financial incentives to work additional hours.

Q2. What are the obstacles faced by people who have tried to take on additional paid work over the past year?

As stated above, 7/17 respondents who were working part-time had tried to find additional work over the past year. Of these, three had been successful: one was awarded a promotion and was waiting to start her new role, one secured some overtime and another had taken on a second job (but later had to give it up due to health-related issues).

One respondent had only very recently started applying for jobs. The other three respondents had faced a number of obstacles. One had been offered a full-time position but had to move to a new area before being able to accept. One had asked his current employer for additional hours but nothing had become available. One respondent had been trying unsuccessfully for some time:

"I want a job from agency in town, in restaurant, in factory, they no call me. Nothing. Maybe four months or six months... until now I am waiting... 'any job!' I go, every day, I go 'no problem, twelve hours, one-hundred hours, I go no problem!' I call you back. No-one call me." (P001: Male, single, no dependent children).

He believed his lack of success was due to his poor English or simply down to “bad luck”. The findings point towards a **lack of suitable employment opportunities** for some people in Sheffield. It cannot be assumed that additional work is readily available for everyone; some face obstacles such as needing to relocate, while others are turned down repeatedly by employers and agencies for reasons that are beyond their control.

Q3. Do people who are working part-time have the opportunity to progress in their careers?

Around half of those who were working part-time reported that there was a possibility of taking on a higher paid role or getting a pay-rise in their current jobs.

Some intended to apply for higher-paid roles. Some had done so previously but were unsuccessful.

One respondent who had been unsuccessful going for a promotion believed that she was being discriminated against by her employers:

“Sometimes there’s a lot of discrimination, you try to go for these jobs but you won’t get nowhere when you tick that little box on your application form to state what kind of nationality you are.” (P006: Female, lone parent)

One felt that the pay-rise wasn’t worthwhile for the extra responsibility:

“...the management jobs, it’s only 20 pence extra an hour – what is that? ... you have to do all the tills, cash... you’ve got all that responsibility for that!” (P004: Female, lone parent)

Around half of those who were working part-time reported that there was no potential for career progression or a pay-rise in their current jobs.

Q4. Do people who are working part-time believe that they would be better off financially if they took on additional paid work?

Overall, 10/17 respondents who were working part-time believed that they would be better off financially if they took on additional paid work. 6 believed that they would not be better off financially and 1 didn’t know.

Figure 6 (page 15) shows the responses by household type. 4 of the lone parents believed that they would not be better off if they took on additional paid work and 1 was unsure. 1 single person without dependent children believed that they would not be better off and all the other respondents believed that they would.

Figure 7 (page 16) shows the responses classified by benefit entitlement. Only people in receipt of means-tested benefits believed that they would not be better off in paid work or were unsure (6/12).

Figure 6: Do you think you would be better off financially if you took on additional paid work? (Part-time workers, by household type)

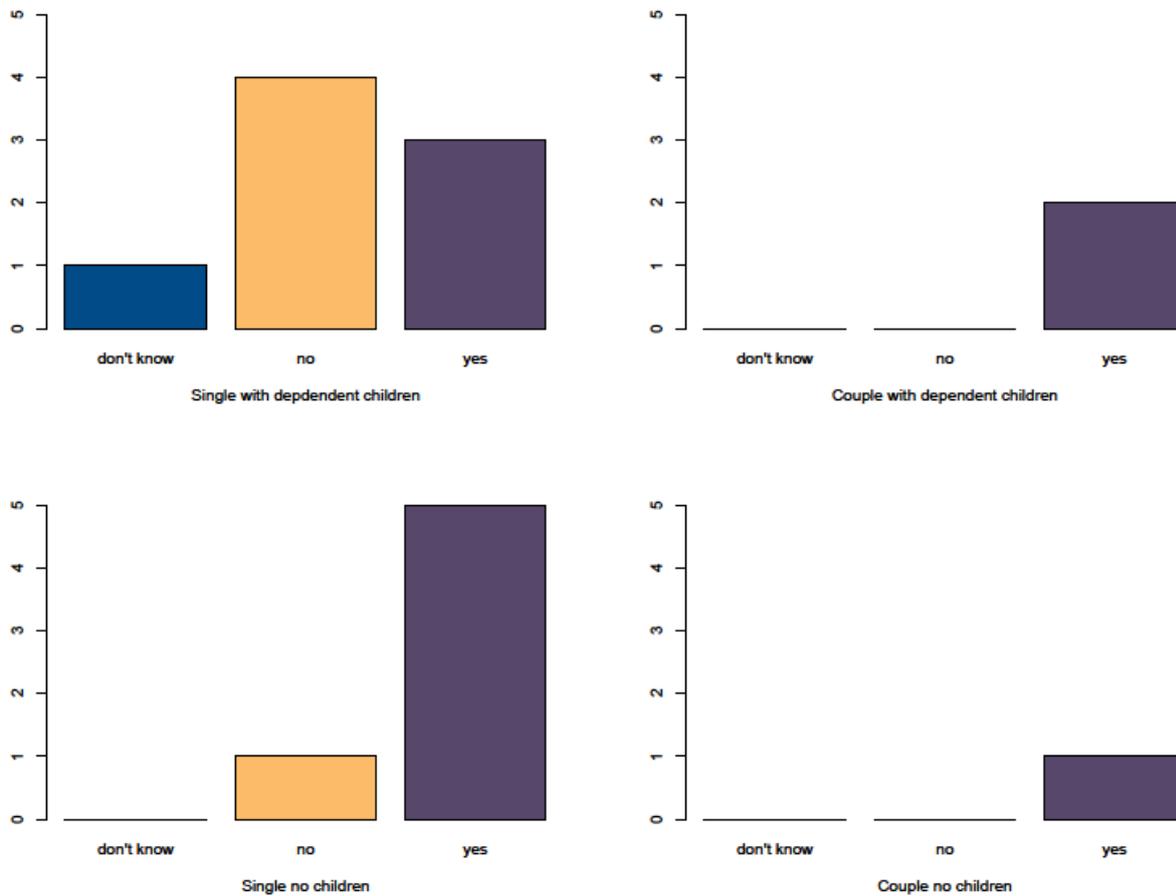
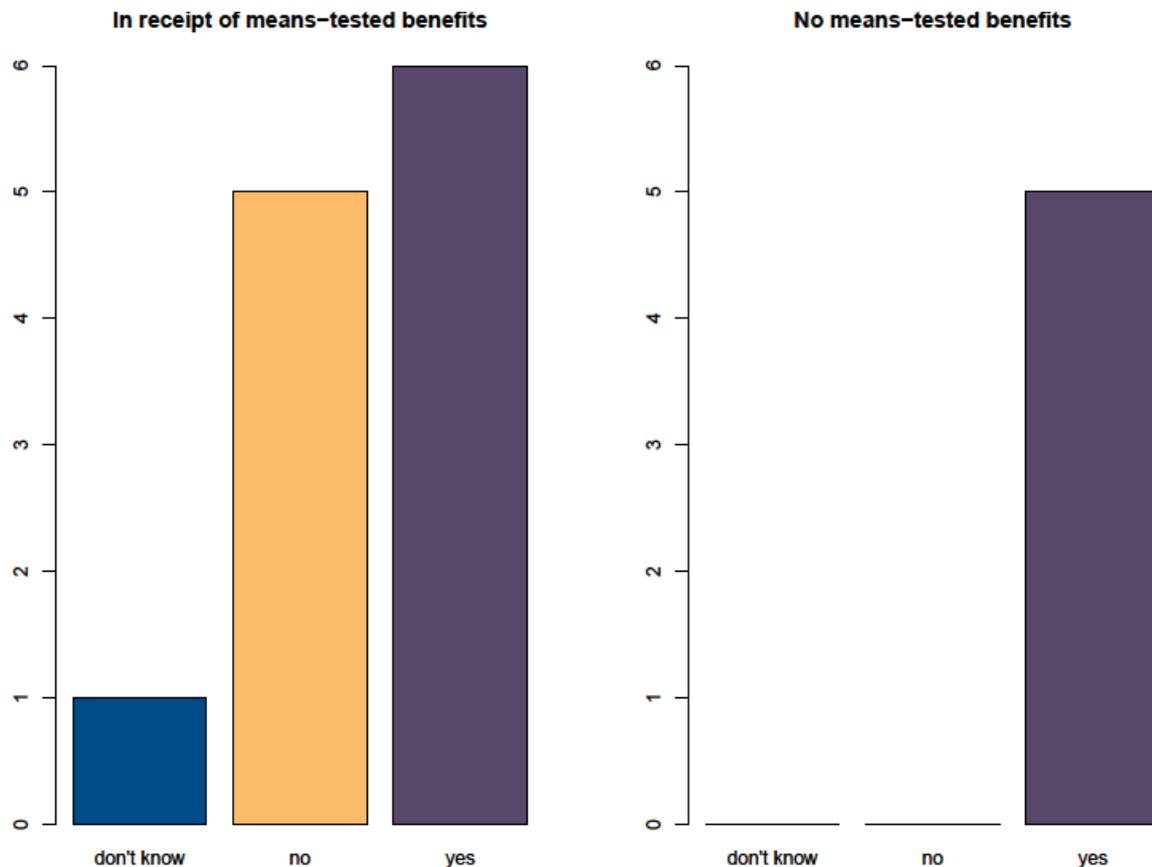


Figure 7: Do you think you would be better off financially if you took on additional paid work? (Part-time workers, by benefit entitlement)



The findings show that some people do not think that they would be better off financially if they took on additional paid work, or are unsure. This appears to be an issue disproportionately affecting lone parents and those in receipt of means-tested benefits; however it is not possible to make generalisations from a sample of 17. This may be an area for further research.

Many of the reasons why people believed they would not be better off if they took on additional paid work have been outlined under Question 1. These are:

- Benefits being reduced or stopped**
 This emerged as the most common reason for people believing that they would not be better off. Some respondents expressed concerns about their Housing and Council Tax Benefit being reduced or stopped, or their benefits stopping altogether.
- Childcare costs**
 This was a key concern among those with dependent children; many felt that they would be no better off financially if they took on additional paid work because of the high cost of childcare. Some believed they would be marginally better off but that it wasn't worth it for the slight financial gain.

- **Overpayments**

Four respondents were repaying benefits overpayments (Housing Benefit, Council Tax Benefit and/or Tax Credits). Some of these believed they would be no better off financially if they took on additional paid work as any additional earnings would go towards repaying the overpayment.

- **Passported benefits⁶**

One respondent expressed concern about losing her entitlement to passported benefits if she took on additional paid work:

"If I was on the dole you'd get a crisis loan... but when you're working, you just don't seem to get any extra help." (P010: Female, lone parent)

The findings evidence a number of financial factors which can shape people's perceptions of whether or not they would be better off in paid work.

Feelings of frustration

Many respondents conveyed anger, frustration and a sense of injustice about their situation. Feelings of being 'stuck' were commonplace, particularly among lone parents:

"I'm absolutely stuck in a rut." (P006: Female, lone parent)

Many respondents were struggling to repay debts and manage daily living expenses. 7/17 reported that they were regularly unable to afford essentials such as rent, food, gas and/or electricity:

"I'm not managing, it's like a big circle, I'm catching up all the time, trying to catch up. It's weird. I'm missing a payment to catch something else all the time...I'm always broke, always skint." (P020: Female, lone parent).

Problems with benefits were another source of stress and frustration. One woman describes trying to resolve a problem with her Housing Benefit:

"It wasn't my fault. Honestly, the times that I phoned them up, I were crying down the phone, they were calling me a liar to my face... I was in tears on the phone to them. They ended up having to put me under special measures where they weren't allowed to send me any letters." (P010: Female, lone parent)

Some expressed anger at the government, feeling that they were 'out of touch' with ordinary people's lives:

⁶ Passport benefits are schemes (such as free prescriptions, free school meals, and government loans) which some groups of people are entitled to because of their entitlement to certain other benefits.

"Government don't need to earn money they've got plenty of money, int' it? They don't have to work all the hours god sent like we do." (P004: Female, lone parent)

The findings suggest that working part-time whilst claiming benefits can be stressful and/or upsetting for some people, particularly lone parents.

Case studies

Case Study 1: P009

P009 is a single mother working part-time (20 hours a week) for a marketing company. She has two disabled children with autism and ADHD. She describes her financial situation as “just about managing”⁷.

P009 had previously been working full-time but decided to move to a new, part-time, job due to the negative effect full-time work was having on her family:

“...the stress of everything, of working a full-time job as a single parent, you know, it was after school club, breakfast club, I were leaving the house at seven o'clock in the morning... I weren't getting home until half six, seven o'clock at night, I didn't have time for anything, and to be honest I weren't financially any better off. So, yeah, it caused my child to have a rather large break-down, but it also caused stress on the rest of the family because I didn't have time to deal with their needs, because they're more than that of a normal child. So, yeah, it caused a lot, a lot, of problems.”

Since moving to part-time work she has been slightly worse off financially but feels strongly that it was the right decision:

“Going from full-time to part-time has made a big difference, definitely. I mean, there is a financial difference but it wasn't worth me working full-time, because of the mental impact on everybody in the house. The emotional impact on everybody in the house was not worth the slight financial gain.”

Respondent P009 now has a supportive employer who allows her to work four days a week and to choose which day she has off each week to fit in with her parenting responsibilities:

“Oh it's been... amazing. I don't know what I would have done if she hadn't been so good with me. Like I say, I didn't have that in my last job, I were taking holidays all the time for appointments and... and then I couldn't take time off to be with my kids in the holidays which caused childcare issues in the summer.... I think, yeah, especially for single working parents there definitely needs to be more flexibility in the workplace around school hours.”

This case study demonstrates the problems that lone parents and their families can face when working full-time and provides a clear example of the non-financial gains of working part-time. It also demonstrates how having a supportive employer who is open to flexible working can alleviate the negative effect on families.

⁷ This was a multiple-choice question (see Appendix A).

Case Study 2: P006

P006 is a single mother working part-time (21 hours a week) as a nurse. She has one son. Recently she was notified that she had been paid too much Housing and Council Tax Benefit:

“Housing Benefit’s absolutely messed me up... they backdated some information which means that I actually ended up £6000 in arrears. They hadn’t updated my information so it meant that I was claiming Housing Benefit, Council Tax etc. when I shouldn’t have been claiming it, but I didn’t know... So I’m having to pay that back.”

Her benefits have now been reduced to the correct amount; on top of this, deductions are being made towards the overpayment. This has had a severe financial impact:

“It’s an absolute nightmare, I mean I was only paying something like £150 rent before, when I thought I was entitled to Housing Benefit, but now I’m paying £400, plus paying off the debt for Housing Benefit and Council Tax – I mean my Council Tax, I used to only pay something like 20-odd pounds a month. Now I have to pay £88 plus £40. So really, I’m paying £100 more Council Tax than what I used to be and £250 more rent, so that alone that’s £350 more... it’s just a complete mess”.

Since then P006 has been struggling to afford essentials such as food, gas and electricity. She describes her financial situation as “not managing”⁸.

P006 feels unable to improve her situation by taking on additional work, because any additional earnings will go towards the overpayment. She is also concerned about the cost of childcare:

“I don’t think it would work because, like I say, I’d have to pay out childcare, which wouldn’t make sense, you know? ... It’s not worth it, it’s not worth it. You get taxed more, you have to pay out childcare, and then you’re not seeing your child, you know?”

This case study demonstrates the severe financial impact of benefit overpayments and how they can act as an obstacle to work. It also shows how some parents, despite struggling to afford essential living costs, feel unable to take on additional work due to the high cost of childcare.

⁸ This was a multiple-choice question (see Appendix A).

Conclusion

This study has revealed two distinct types of obstacle faced by people in Sheffield who are working part time:

- Type 1: Obstacles preventing people from **looking** for additional work
- Type 2: Obstacles preventing people from **securing** additional work

Type 1 (obstacles preventing people from *looking* for work) was the most diverse category. The findings revealed a wide range of obstacles that can prevent people from seeking additional work; the most common being child-related, benefits-related and health-related. These obstacles may be perceived or actual but the effect is the same. Type 1 obstacles were the most commonly reported in this study.

Type 2 (obstacles preventing people from *securing* additional work) applies to those who had made the decision to find additional work but had been unsuccessful. This only applied to a few people in the study. The obstacles perceived here were less wide-ranging; these included language barriers, workplace discrimination and a lack of suitable employment opportunities in the local area.

Key findings

- There are many **non-financial factors** which can affect people's decision-making around work. Some people (including those who are struggling financially) believe that they would be better off if they took on additional work but decide not to do so for other, non-financial, reasons. Others choose to look for extra work despite it making them no better off financially because of other perceived benefits.
- Some people in receipt of **means-tested legacy benefits** believe (rightly or wrongly) that they would **not be better off** if they were to take on additional paid work; this perception can act as a disincentive.
- Those caring for **dependent children** can experience additional obstacles to taking on extra paid work. **Lone parents** can experience further obstacles still.
- Those living with **health problems** can experience additional obstacles to taking on extra paid work.
- Working part-time is **not always a choice**; some people would prefer to work extra hours but are unable to secure suitable additional work.
- Some people do not have any **opportunity for career progression** in their current jobs or have **minimal financial incentive** to do so.
- **Benefits overpayments** can have a severe detrimental impact on household finances, causing people to experience hardship and acting as a deterrent to taking on additional work.

- **Full-time childcare** may have a detrimental impact on the **wellbeing of families** with **disabled** children.
- Lone parent families, particularly those with disabled children, may benefit from **flexible working hours**.

While it is not possible to draw conclusions about how widespread these issues are, the research does serve to demonstrate the complexity of people's lives and highlights some of the factors which can shape people's decision-making around taking on additional work. There are many factors which need to be considered when deciding whether an individual or household is 'better off' in full-time work and what's reasonable in terms of benefit conditionality.

Recommendations

- Parents need to be offered clear information about local childcare services and practical support and guidance to access childcare services. We recommend that Work Coaches offer this support to benefits claimants with dependent children.
- Taster sessions in local nurseries may serve to ease parents' concerns about formal childcare.
- The provision of childcare vouchers could alleviate parents' concerns about covering the initial costs of childcare upfront.
- People need to know whether taking on additional work would make them better off financially, or not. 'Entitled To' is an excellent online benefits calculator ([entitledto.co.uk](https://www.entitledto.co.uk)); we recommend greater promotion of this service to the general public (including via social media). We also recommend that Work Coaches routinely support benefits claimants to complete better off calculations.
- A system of debt forgiveness could be introduced to prevent benefits overpayments from acting as a barrier to work. Rather than having to go through the lengthy process of applying for a DRO, benefits claimants moving into full-time work could have their benefits overpayments written off. This would remove the short-term disincentive to earn more, whilst alleviating stress and offering a route out of poverty.
- It is important for Work Coaches to acknowledge that being 'fit for work' is not a binary issue. People may be well enough to work part-time but not full-time; these people may not have active involvement from health services (who could evidence these restrictions). Taking on extra hours may have a detrimental impact on some people's physical and/or mental health. It is not appropriate for everybody to be pushed towards full-time work.

Further research

- This research is based on a small sample. Further research is needed to find out how widespread these obstacles to work are, and to what extent those with dependent children are disproportionately affected.
- Universal Credit is intended to alleviate some of the obstacles raised in this research (such as benefits being suspended when income changes). Repeating this research once UC has

been fully rolled out in Sheffield would enable a better understanding of whether the obstacles (both real and perceived) raised here have been eliminated. It would be interesting to see whether people's *perceptions* of whether or not they would be better off in full-time work change under UC.

- Further research needs to be conducted into the availability of, and funding for, local childcare services. Does provision meet the needs of parents generally, and lone parents in particular? This information needs to be readily available to both parents and Work Coaches.
- Further research is needed into how conditionality is being used / relaxed for people with health problems, disabilities and/or caring responsibilities.

Appendix A: Questionnaire

Ref:	
Date:	
Time of call:	
Name of Money advisor:	

Part 1: Respondent information

1. Age	
2. Gender	
3. Ethnicity	
4. Health problems / disabilities	

5. Household details

	Our records	Current
Couple with dependent children		
Couple with NO dependent children		
Single with dependent children		
Single with NO dependent children		

Part 2: Employment

6. Employment status

	Our records	Current
Employed		
Self-employed		
Unemployed		
Retired		
Long-term sick / disabled		
Other (Please state)		

7. What sort of work do you do?

8. Hours worked per week:

	Our records	Current
Not working - 0 hours		
Under 16 hours p/w		
16-29 hours p/w		
30+ hours p/w		
Variable hours / Zero hours (State range p/w)		

Rate of pay / salary:

Minimum wage	
Above minimum wage	
Don't know	
N/A	

Min wage: £7.83 25+, £7.38 21-24, £5.90 18-20)

Part 3: Financial situation

9. How would you describe your current financial situation?

Managing ok	
Just about managing	
Not managing (Unable to afford essential living costs)	

If not managing– what's causing problems?

10. I understand you get some benefits to top up your income, I think you get X Y Z, is that correct?

Our records	Current entitlement

Part 4: Increasing earnings

11. Over the past year have you tried to increase your income by taking on additional paid work? (either extra hours or a new/second job)

- If yes –
 - What motivated you to look for work?
 - How successful were you in finding work?
 - Can you tell me a bit about any problems you faced?
 - Did you have any concerns about taking on extra work?
- If no –
 - Is there any reason why you decided not to look for extra work?
 - Do you have any concerns about working full-time?
 - Would you like to work full-time in the future? Why / why not?

12. Is there any opportunity for you to take on a higher paid role in your current job, or to get a pay-rise?

13. Do you think you would be better off financially if you took on additional paid work?

14. Do you think that people are always better off in full-time work than part-time work?

Thanks very much, that's all my questions. We really appreciate you taking the time to help us with our research.

If you are interested to find out about your benefit entitlement Entitled2 / Turn to Us

www.turn2us.org.uk

www.entitledto.co.uk

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Registered Office: The Circle, 33 Rockingham Lane, Sheffield S1 4FW

Company registration: 08616847

Charity registration: 1153277

Authorised and regulated by the Financial Conduct Authority: FRN 617731

Regulated by the Office of the Immigration Services Commissioner: N201300063

VAT number: 169 9524 53 Information Commissioner's Office registration: ZA019728

