



Chapter 3

Sustainable employment for jobseekers

Greater flexibility and more personalised support for people of all ages seeking work, including self-employment.

Action to help people break the cycle of short-term work and end repeated long-term unemployment and benefit claims.

A skills screen to identify any potential basic literacy, language and numeracy skills needs at the start of every claim for Jobseeker's Allowance.

People with the longest durations on benefit will be targeted for earlier support.

Pre-employment training and basic skills provision that supports further development and progression in work.

Chapter 3 – Sustainable employment for jobseekers

Jobseeker's Allowance and the flexible New Deal

We want to modernise the current New Deals by moving to a more flexible, personalised approach for longer term, more disadvantaged customers – the flexible New Deal. We are determined to end repeated returns to long-term unemployment and benefits that are suffered by too many people. These are the twin challenges that face us after 10 years of success in increasing the number of people in work to record levels and reducing child poverty. To meet these challenges we need to tap into the experience and expertise of not only Jobcentre Plus, but also of the public, private and third sectors. At the heart of our new approach will be action to identify the barriers to sustainable employment, self-employment and progression. A flexible, personalised and more responsive service which is more tailored to individual employment and skills needs will help us achieve this.

Overwhelmingly, people who responded to our Green Paper consultation agreed with our proposals for greater flexibility and more personalised support for all people seeking work as a condition of receiving benefit. We welcome that broad consensus over the way forward, whilst recognising that opinions differed over how and when that support should be made available.

We intend to introduce the flexible New Deal progressively from 2009. The flexible New Deal will modernise and streamline the existing New Deals to ensure that support is flexible and personalised. The flexible New Deal will combine the current mandatory New Deals: New Deal 25 Plus and New Deal for Young People. The New Deal for Musicians and New Deal 50 plus will also be subsumed within it.

Other, voluntary programmes, such as the New Deal for Lone Parents, will continue to be available to appropriate customers. For people claiming Pension Credit, but who want help back into work, the support provided through flexible New Deal will equally be open to them but on a wholly voluntary basis. New Deal for Partners is to be strengthened from April 2008 by increasing the number of Work Focused Interviews for partners of Jobseeker's Allowance claimants with dependent children. For long-term unemployed people there will continue to be specialist support to help individuals start working for themselves as self-employment can be the best option for some people²⁸.

²⁸ Work Foundation (2006) for BBC Radio 4 on *Life After MG Rover*.

Action at the beginning of the claim

What you said about people being provided with more support in exchange for meeting their obligations

“We broadly support increasing conditionality through targeted engagement, including the use of Work Focused Interviews and good quality, flexible pre-employment support. Any increase in conditionality needs to be matched by a commitment to assist clients to tackle their complex constraints.”

Work Directions

“The Mayor welcomes the principle of a shift away from the rigid distinctions of the New Deal programmes towards a new, flexible and personalised approach.”

Greater London Authority

“I am in full support of the reform, particularly the more flexible approach to New Deal. I feel being given supportive help from an earlier stage will be very beneficial to the customers. I also feel the mandatory element will help, as there is an element of customers that are not responsive to supportive help.”

New Deal personal adviser

Many claims for Jobseeker’s Allowance are by people who leave the benefit quickly – around six out of 10 jobseekers leave during the first 13 weeks. We are making two important improvements to the early stages of a claim for Jobseeker’s Allowance to increase the level of help available. Firstly, at the new claim interview, the adviser will undertake a skills screen to identify any potential **basic literacy, numeracy and language skills needs** and, on the basis of the result, will encourage the customer to undertake a Skills Health Check through the new adult advancement and careers service. **We will aim for this to be rolled out by 2010-11, with trials to begin next year.** Secondly, we are adding a mandatory **back to work** group session at around week six to reinforce the importance of work and encourage access to the help on offer through Jobcentre Plus. We will be piloting the **back to work** group sessions in the New Year.

What you said about whether this approach of increased obligations and increased support should apply to all customers

“Those who are furthest from the labour market will need the most support and training... Some people may be greatly assisted by accessing specific types of support more quickly. It will be important that personal advisers take all aspects of their client’s situation into account.”

Working Families

“Sanctions can be a useful tool but if they are not used with great care they can result in the excluded becoming even more excluded.”

St. Mungo’s

The basic principle of Jobseeker's Allowance is 'something for something'. In return for benefit payments and extra support in finding work, customers are expected to do their best to get and keep a job. That is the basic contract between society as a whole and the individual. And in return for the additional support we are introducing, we will also seek to increase our expectations as the claim continues. Of course, to make that principle work in practice benefit sanctions are sometimes required; individuals who deliberately choose not to actively seek work, to leave a job without good cause or to refuse a suitable job must lose some or all of their benefit. Otherwise, the contract is meaningless.

Sanctions will only be imposed when the individual breaks the contract without showing good cause. We have no desire to apply sanctions in a way that pushes children into poverty, but all claimants including parents have obligations to abide by the rules.

Three months into a claim for Jobseeker's Allowance

In future, jobseekers whose own efforts have not succeeded after three months will be required to widen the scope of jobs they look for, to include any suitable job, and we will introduce greater direction of jobsearch by Jobcentre Plus staff. Everyone will be submitted to a suitable job. Weekly rather than fortnightly attendance at Jobcentre Plus will also be required for the next six weeks. Around a fifth of customers with particularly poor employment histories or other difficulties will have interviews with a personal adviser to provide additional help and encouragement.

Six months into a claim for Jobseeker's Allowance

What you said about a structured, progressive regime of support and obligations

"Each person is an individual, and will have a different set of needs and aspirations; these proposals must recognise that one size does not fit all."

Off the Streets and into Work

"Setting goals may have very positive consequences, however, and it would be unrealistic to expect claimants to proceed through and out of the system without some analysis of progress."

Turning Point

After six months, around eight out of every 10 customers will have left Jobseeker's Allowance and after a year the figure reaches about nine in 10. Jobcentre Plus will use its reward and recognition arrangements to help staff build on these outcomes.

To support Jobcentre Plus to deliver back to work support, we will increase the flexibility in the system to enable a more personalised service for those who have been on benefit for longer. After six months, all customers will enter a single **Gateway** lasting for up to six months; this proposal was particularly welcomed in the consultation. For those aged over 25, this brings forward more intensive help by a year. For most people this will be after six months on benefit, but some people will be **fast-tracked** from the start of their claim.

The most powerful aspect of the Gateway is regular contact with a personal adviser. The initial interview with the adviser will determine the customer's action plan. The action plan must be stretching and will cover activity over and above that of the Jobseeker's Agreement, which will remain. In addition to some common basics – for example, updating CVs – the adviser will assess the customer's needs and identify specific activity that they must do to improve employability and find work. The adviser and customer will agree the activity and the timetable for achieving it. The customer will be seen by their adviser every four weeks to check on progress, with regular Job Reviews as now.

As part of the first Gateway interview, all customers identified with potential basic skills and employability needs that have not been addressed since the start of the claim will be referred to, and in some cases directed to attend, a Skills Health Check at the new adult advancement and careers service. The adviser will use the results to determine the customer's required activity, which may include training. Jobseeker's Allowance customers, at appropriate points in their claim, should be expected to engage with the adult advancement and careers service if they have skills needs stopping them from finding employment and we will enforce this where appropriate. All of this would be set out in the action plan and we will aim for this element to be fully rolled out by 2010-11.

To support customers in fulfilling the action plan requirements, Jobcentre Plus advisers will have **access to a £10 million discretionary fund** to provide extra and flexible help at this stage.

For those with basic skills needs we intend to pilot mandating attendance at relevant training at this stage, where advisers think this is appropriate.

Some customers will be identified at six months as needing employment related training in order to return to work. To meet this need, they will be able to participate in short periods of full-time training, up to eight weeks in length, focused on getting them back to work and on meeting employers' needs. Vacancies identified through Local Employment Partnerships will be supported by this measure, where appropriate. Customers will move off Jobseeker's Allowance and onto a training allowance for the duration of the training.

In addition to the existing sanctions for failure to look for or take suitable work, there will be a two-week benefit sanction for failure to comply with Gateway activity agreed between the customer and the adviser.

A customer's journey through the flexible New Deal

Jason lost his previous job as an assistant store man in February 2010 when the stock control was computerised. He was 36 years old and had worked at the same factory in the same job since leaving school at 16 with no formal qualifications. He had no idea how to find another job and was anxious about what he could do in future.

He claimed Jobseeker's Allowance in March 2010. At his new jobseeker's interview at Jobcentre Plus the personal adviser realised, through the routine basic skills screening that she undertook with all new customers, that Jason had a literacy problem. The adviser referred Jason to the local adult advancement and careers service for a Skills Health Check and advice. But Jason didn't follow that up because he hoped he could find quickly the work he knew. It wasn't that easy. The Back to Work group session he attended after six weeks with other jobseekers who had been out of work for the same length of time made him realise what he was up against.

After three months Jason's personal adviser reminded him about help with his reading and his jobsearch was widened to include all suitable work. He investigated a reading course at a local college but didn't have the confidence to follow it through.

In September, Jason was still unemployed and so entered the Gateway. His adviser again identified his reading difficulties and again referred him for a Skills Health Check, making it clear that this time if he didn't go his benefit could be affected. Jason realised he needed help to beat his reading problem. He took up a recommended reading course and this time, supported by his adviser, he persevered.

Although actively tackling his reading problem, Jason still needed his personal adviser's support with jobsearch. He completed his basic reading course while looking for work. With his adviser's help he applied for several jobs, but gradually lost confidence because he felt he couldn't persuade employers that he had the experience or skills that they were looking for.

In March 2011 Jason was referred to a flexible New Deal provider. He told the flexible New Deal adviser that he had lost confidence in his ability to find work. They discussed the skills Jason had and how they might be developed, with appropriate training, to help Jason do work that he might not have thought of before. They discussed several options. He was attracted to baking and working in a small local business. He needed some qualifications in food hygiene and some experience of shop work. The provider persuaded him that he was capable of doing the training and arranged for a four-week trial in a small baker's shop. Jason liked it and they liked him. He did a Level 2 Bakery course at a local college and was taken on by the same small bakery, baking and taking orders from other shops and caterers.

His provider stayed in contact with Jason and the employer throughout the first few months to ensure that Jason remained confident in his skills to do the work and to offer additional support where it might be needed.

Early entry to the Gateway

We must do more to support people who return repeatedly to long-term unemployment. To improve all customers' chances of finding sustained work as quickly as possible, we will **fast-track** the most disadvantaged to the more intensive Gateway from day one of their claim. Fast-tracking to the Gateway and, where appropriate, a Skills Health Check, will provide these customers with an earlier opportunity to improve their employability and tackle skills challenges that will help more of them get and sustain work.

A strong indicator of labour market disadvantage is someone's Jobseeker's Allowance history. We have decided that jobseekers with the longest durations on benefit will be selected for this additional early support. The fast-track will take customers to the Gateway with Jobcentre Plus rather than to flexible New Deal with a contracted provider because, even amongst customers with long histories on Jobseeker's Allowance, many will leave benefit relatively quickly. For younger jobseekers, who have a shorter benefit history to go by, we will fast-track those who have spent a significant part of that time on Jobseeker's Allowance or have not been in education, training or employment for a period prior to claiming Jobseeker's Allowance.

We will continue to allow people in vulnerable groups the opportunity to volunteer to enter the Gateway early, subject to capacity.

What you said about whether some people enter the Gateway stage more quickly

"It will be absolutely essential for some customers to enter the Gateway stage more quickly, and for the most severely disadvantaged with complex and multiple support needs a direct route to the flexible New Deal must be made available."

Employment Related Services Association

"If a young person is to be fast tracked this needs to be very early on in the process so that time is not lost and the young person does not become demotivated and disengaged with the New Deal process."

Fairbridge

"People whose history shows a pattern of intermittent employment for no good reason should be fast tracked."

Individual

Twelve months into a claim

At the end of the intensive Gateway with Jobcentre Plus, jobseekers who remain on benefit will be referred to an external provider for further, specialist help. Customers will remain in contact with Jobcentre Plus throughout this stage.

We will work with providers on the detail of the contracts and to establish best practice. But we will expect them to engage with all their flexible New Deal customers and see their customers on a regular basis; we do not want to write-off anyone, or allow providers to not support our hardest to help customers. As a minimum there would be an initial in-depth assessment of the customer's employment-related needs and circumstances and an action plan agreed with the customer, which includes personalised and stretching activity to get back to work.

As with the existing New Deals, participation with an external provider and compliance with the accompanying action plan will be mandatory. Failure to undertake any back to work activity arranged by the service provider would mean a referral to Jobcentre Plus to consider benefit sanctions.

What you said about requiring people to complete work experience after receiving intensive help from a specialist provider

"When recruiting, employers do not value a CV in which the most recent employment entry is a job into which the candidate had to be conscripted, so the experience does very little to enhance the unemployed person's employability."

Trades Union Congress

"...a good idea as long as it fitted with the person's aspirations and was likely to lead to work."

Equal in Glasgow

"Our experience has shown that work-tasters can be an extremely effective route into full-time work."

Working Links

We have listened to views about the relative merits of requiring customers to undertake a period of full-time, mandatory work experience at the end of their engagement with a provider – which was proposed in the Green Paper. We believe that full-time activity could be beneficial to individuals who have little or no experience of work. It will also give providers another valuable tool they can use to support harder-to-help customers in preparing for work.

However, it is important to promote suitable activity which responds to an individual's needs at the most relevant point for that person and we see it as a positive aspect of the flexible menu of support providers can offer jobseekers. Therefore, we now propose that rather than waiting to deploy this strategy at the end of the 12 month period, instead we want this to be part of the plan at the most appropriate stage in this period. We would expect that no customer who completes 12 months with a provider without moving into work, could do so without having undertaken four weeks of full-time activity. We will work with providers on the best way of including this in contracts.

People who move across to an external provider will remain on Jobseeker's Allowance. They will continue to attend a Jobcentre Plus office on a fortnightly basis unless they undertake a period of training or other activity outside the Jobseeker's Allowance rules, when they will receive a training allowance. It will be Jobcentre Plus' continuing responsibility to oversee the jobseeker's journey through the flexible New Deal and the payment of the allowance appropriate to the work-related activity.

We are determined to break the cycle of repeated returns to long-term unemployment. Those who fail to get work at the end of the contracted period will return to Jobcentre Plus who will build on the progress that has been made. We are looking further at what expectations we should have of those who remain unemployed at the end of the period with providers. Intensive, personalised and tailored support will be matched by increased obligations.

The flexible New Deal will be the first procurement to be based on our commissioning strategy, which is being finalised following the publication of emerging findings on 27 November 2007. This will set out the framework for commissioning provision, the way we work with providers, and how we will manage performance.

We are committed to giving specialist providers in the public, private and third sectors a chance to deliver services. We want to buy support that works, is outcome focused and is based on longer and larger contracts which deliver value for money.

Milestones

Spring 2008	Flexible New Deal procurement activity begins.
Early spring 2009	Contracts awarded and contract start-up activity.
April 2009	Changes by Jobcentre Plus to implement new Jobseeker's Allowance regime.
October 2009	First customers referred to contracted flexible New Deal.