

Universal Credit Policy Briefing Note 13

Extending conditionality under Universal Credit to working claimants: safeguards within the new regime

1. Introduction

- a) As we set out in Policy Briefing Note 11 – Extending conditionality under Universal Credit to working claimants: setting a new conditionality threshold, we intend to apply conditionality at a higher level of income under Universal Credit than we do under the current benefits system. This will enable us to apply work-related requirements to claimants who are in some work but who we expect to earn more than they currently do, in order to reduce their dependency on benefits.
- b) To encourage them to increase their earnings we will be able to require claimants to take actions to look for and be available for work, take actions to prepare for more work, such as attending skills training, and attend work-focused interviews.
- c) Placing requirements of this sort on working claimants raises issues that do not tend to arise under the current conditionality regime for out-of-work claimants. In particular, we recognise that the circumstances in which we could require a claimant working part-time to move to a new job are particularly sensitive.
- d) We are continuing to develop proposals on the type of conditionality regime we will implement under Universal Credit but are clear that any actions we impose must always be reasonable and proportionate. This note sets out the safeguards we will put in place in order to ensure this is the case. As the extension of conditionality to working claimants is new – we will need to keep these provisions under review as we learn from experience.

2. Work search and work availability requirements

- a) The total number of hours we expect a claimant to work (and therefore their personal earnings threshold) will be set in the same way for in-work claimants as for out of work claimants. This is covered in the separate Policy Briefing Note 11 – Extending conditionality under Universal Credit to working claimants: setting a new conditionality threshold, which sets out that a claimant's circumstances will always be taken into account in setting their "job goal" which will be recorded in the Claimant Commitment.
- b) Claimants could look to increase their earnings in three ways:

- By increasing their hours or their wage in their current job;
- By finding one or more additional jobs that they could do alongside their existing job; or
- By finding a new job that offered a higher income.

3. Changing jobs

- a) We recognise that the choice over how someone increases their earnings can be an extremely difficult one, even in situations where a new job offers an increased income and the promise of a higher living standard. We also recognise that the decision to move jobs involves consideration of more than simply the increased earnings that someone may accrue. Many jobs, for example, will also offer other financial and non-financial benefits such as occupational pensions, accrued maternity rights and the right to work flexibly.
- b) As a result, we are committed to allowing claimants to choose which approach works best for them. In other words claimants will be able to decide whether they want to increase their hours with their current employer, find an additional job or find a replacement job. Any work search and work availability requirements will then be set accordingly.
- c) The caveat to this commitment is that the claimant's preferred option must have reasonable prospects of being successfully realised, and may be time limited. For example, a claimant could not continue to focus on extending hours with their current employer if, after exploration, it was clear that no such opportunity existed.
- d) In addition, we can confirm that:
 - There will be no requirement for a claimant to move jobs unless doing so will raise a claimant's gross earnings.
 - We will never require a claimant to leave a permanent job for a temporary one, even where the temporary job offered significantly higher wages.
 - Advisers will also take into account other benefits of the claimant's current employment, especially those that are particularly relevant to the claimant's circumstances, before imposing any requirement to take an alternative job, for example, we would consider whether someone with caring responsibilities had the right to work flexibly. We will in due course provide more detailed guidance on how this will operate in practice.

4. A staged approach for those who need it

- a) Where a claimant moved into a new job which still left them below their conditionality threshold, we could switch off or reduce their conditionality requirements for a short time if we felt this was necessary to help cement their move into work. This would enable them to settle into work and into

that job, before we expected them to take actions to increase their earnings.

5. Ensuring conditionality is compatible with a claimant's circumstances

- a) We will expect claimants who fall below the conditionality threshold to take all reasonable steps to improve their income. To achieve this we would expect a claimant to devote the hours they are not working but are expected to work in looking for work or in undertaking activities that will help them to progress in work.
- b) We will however ensure in all cases the conditionality requirements we place on a claimant will be compatible with their paid employment, so that no-one will have to forego paid work to fulfil their conditionality.
- c) In addition, unlike out-of-work claimants, working claimants will not be required to be available to take up work or attend an interview immediately where that would not fit with the claimant's existing contract of employment.