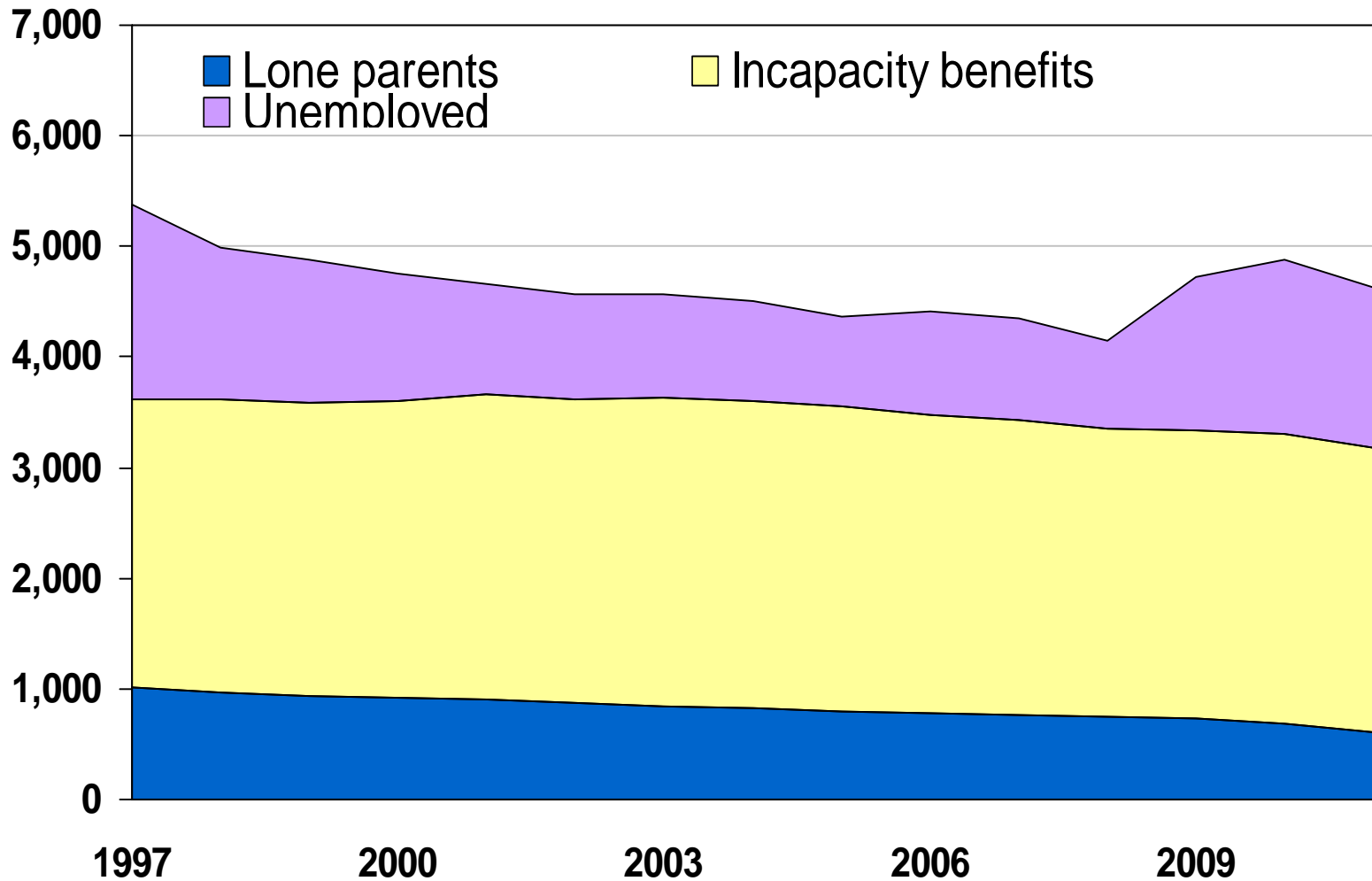


Welfare Reform: The Work Programme

Helen Waite

12 July 2011

The problem – still around 5 million on benefit



The strategy

- 1. Universal Credit** - replaces complex means tested benefits and tax credits with single payment to make sure work always pays
- 2. Increase conditionality** - support those still on old Incapacity Benefits through move to new benefits; expect lone parents with school age children to look for work
- 3. Work Programme** – new ‘payment by results’ employment programme launched this month.

Our policy direction

- Flexibility
 - End to ‘one size fits all’
 - Individual and local circumstances vary
 - Whitehall not best placed to design support
- Results focus
 - Used to pay heavily for process
 - Only real measure of success is job outcomes
 - JCP will be judged, providers paid, for results
- Partnership working
 - Bolstering DWP support
 - Supported by flexibility

Jobcentre Plus flexibility

- More personalised face to face meetings
- Further support from a menu of options
- Menu tailored to local labour market conditions
- New JCP performance framework

Flexible menu of support

<p>Skills Basic Skills Support Occupational Training: Sector based work academies</p>	<p>Peer Support Mentors Work Clubs</p>	<p>Work Experience Internships Work Experience Mandatory Work Activity Apprenticeships</p>	<p>Flexible Support Fund Discretionary funds Support partnership work to tackle disadvantage.</p>
<p>Volunteering Work Together</p>	<p>Enterprise New Enterprise Allowance (including mentoring and financial support) Enterprise clubs Self-employment guidance</p>	<p>Jobsearch Advisor Support Job vacancies database Online support Careers Advice JCP Group Sessions</p>	<p>ESF 25% IB, IS volunteers 75% disadvantaged families</p>

The Work Programme

- Biggest of its kind the UK has ever seen
- For those at risk of long term unemployment
- 2.4 million expected referrals
- Replacing much of the complex range of poor value existing provision
- Flexibility, results focus, partnership working

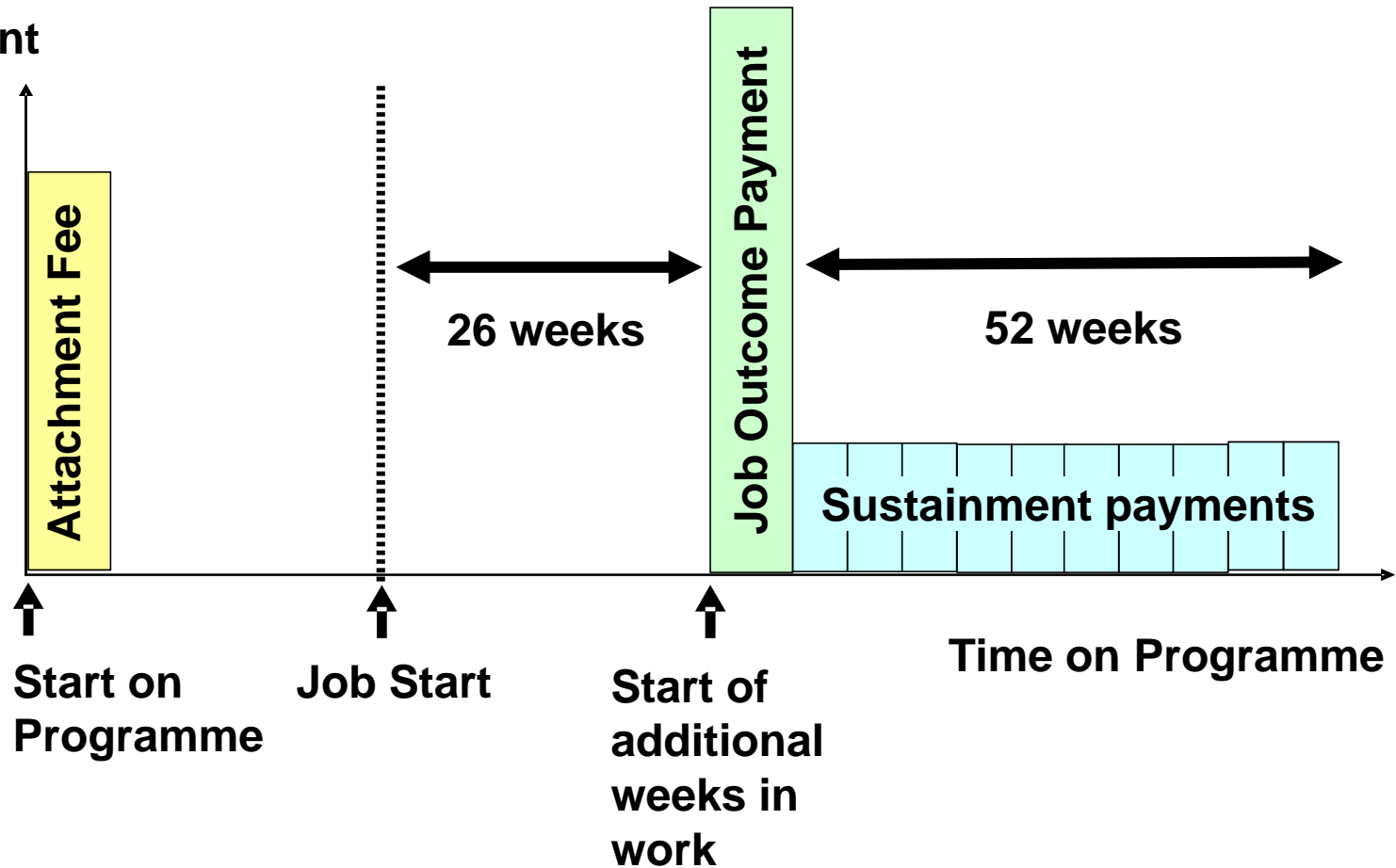
How will the Work Programme be better?

- Longer to work with customers
- Black box (but transparent, with safeguards)
- Universal programme
- More sophisticated payment model
- Transparency – Minimum Service Offer & Supply Chains

Payment by results

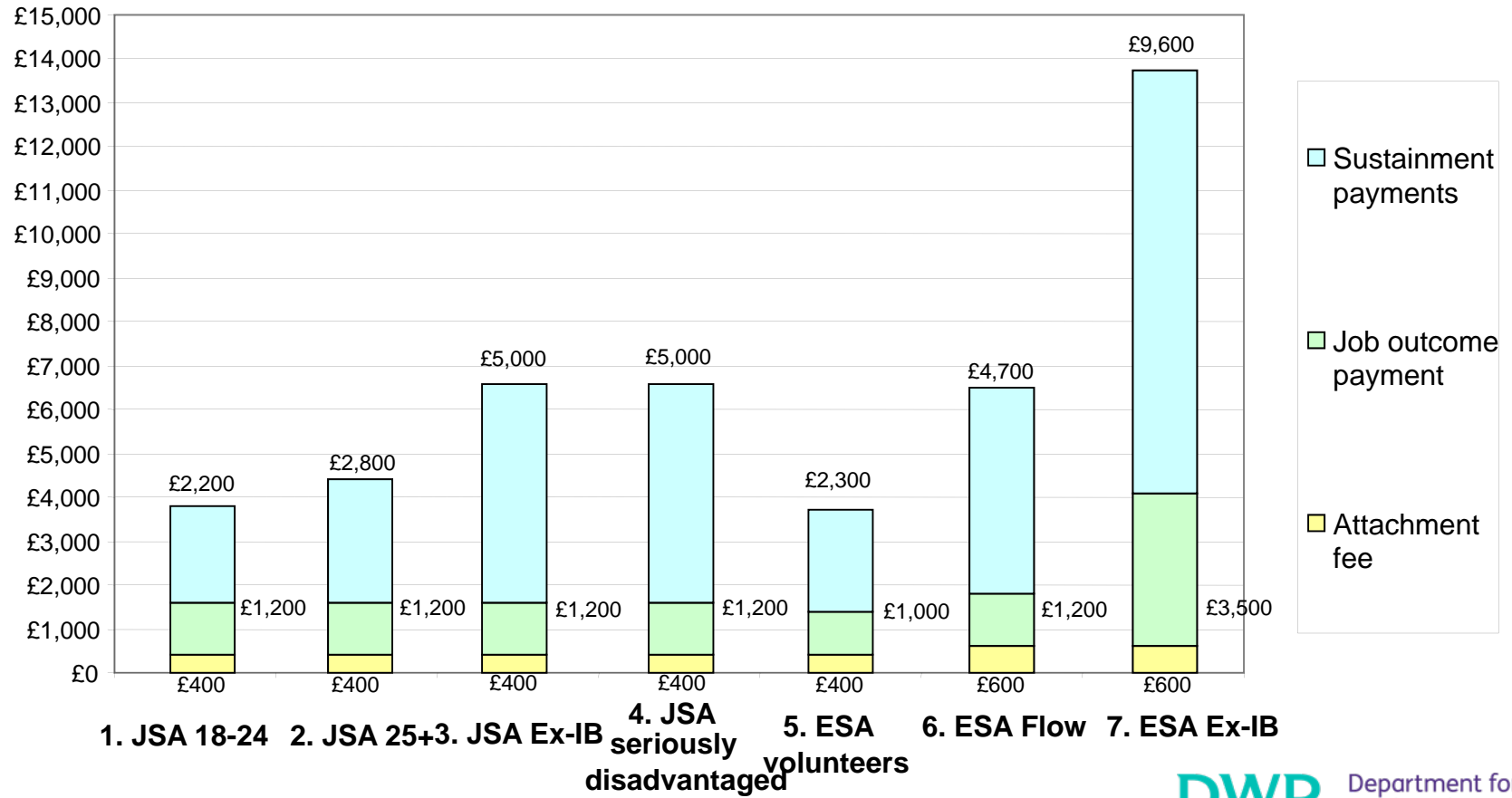
Payment

(£)



Differential payments

Maximum payments



Universal Programme

Customer Groups

- JSA customers aged 25+
- JSA customers aged 18-24
- JSA ex-IB
- JSA seriously disadvantaged in the labour market
- All ESA customers
- ESA (income related) customers who are placed in the Work Related Activity Group
- All Income Support and Incapacity Benefit customers

Time for referral

From 12 months

From 9 months

From 3 months

From 3 months

Voluntary at any time

When customers are expected to be fit for work within 3 months

Voluntary at any time

Prime Providers

- Will compete for market share
- 7 year contract – long term relationships
- Greatest ever freedom and financial incentives to succeed
- National coverage from June

Questions