



House of Commons  
Work and Pensions Committee

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**Plan for Jobs and  
employment support:  
Government Response  
to the Committee's  
Eighth Report**

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**Eighth Special Report of Session  
2022–23**

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## Work and Pensions Committee

The Work and Pensions Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Work and Pensions and its associated public bodies.

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### Committee staff

The current staff of the Committee are Henry Ayi-Hyde (Committee Operations Officer), Sarah Dixon (Committee Specialist), Oliver Florence (Senior Media and Communications Officer), Ed Hamill (Committee Operations Manager), Aaron Kulakiewicz (Second Clerk), Alexandra Ming (Committee Specialist), Danielle Nash (Clerk), and Djuna Thurley (Senior Committee Specialist).

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# Eighth Report

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The Work and Pensions Committee published its Eighth Report of Session 2022–23, [Plan for Jobs and employment support](#) (HC 600) on 19 July 2023. The Government Response was received on 19 September 2023 and is appended below.

## Appendix: Government Response

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The Government welcomes the eighth report of the session 2022–23 as part of the Committee's inquiry on Plan for Jobs and employment support.

The Department for Work and Pensions (DWP) is responsible for getting people into work and making work pay. We want everyone who can work to be able to find a job, progress in work, and thrive in the labour market, whoever they are and wherever they live. To do this the Department delivers comprehensive employment support to help people start, stay and succeed in work, including through face-to-face time with work coaches in our Jobcentres and via contracted employment support programmes.

COVID-19 represented an unprecedented challenge for the country and Government. With the expectation that many people would become unemployed, the Government mobilised rapidly to provide historic levels of support to the economy and the labour market. This included launching the Plan for Jobs which involved the expansion of existing DWP programmes and the creation of new ones such as Restart and Kickstart.

The labour market has recovered well and remains robust and resilient with a low unemployment rate of 4.3%. However, following the pandemic we have seen a rise in the number of people who are economically inactive, now at 8.78m. We are pleased to have made progress, with economic inactivity falling by over 300,000 since the post-pandemic peak. However, this group still includes millions of people who could work, who want to work and who represent a wealth of untapped talent for business. This is why the Government announced a new package of support at Spring Budget aimed at increasing workforce participation, in addition to our existing range of employment support. This includes investment to support disabled people and those with long-term health conditions, parents, over 50s, unemployed people and people on Universal Credit who are working fewer than full-time hours.

The Government responses to the Committee's recommendations are set out below under the report's three categories:

1. Economic inactivity and supporting labour market engagement
2. Employment support services and getting people into work
3. Transforming support

## Economic inactivity and supporting labour market engagement

### Conclusion and recommendation 1

The pandemic has led to a steep rise in mental health problems among young people. Whilst maintaining steady employment often helps people to sustain good mental health, problems with mental health are a principal barrier to employment for many 16-to-24-year-olds. *Support for mental health should be treated as a foundational aspect of employment support for young people. Mental health support and specific training designed to build confidence around job readiness should be integrated into future DWP programmes designed for this age group. DWP should consult with mental health professionals when designing this support to ensure it is appropriate and effectively integrated into the programme.* (Paragraph 49)

### Response

The department works closely with DHSC and the NHS, in recognition of the fact that many people find mental ill health a barrier to employment, which is especially true for young people. There are a range of Government interventions to support young people with mental health conditions both in and out of work. These include: Employment Advisers in NHS Talking Therapies, Access to Work, Mental Health Support Service (MHSS), the Mental Health and Productivity Pilot (MHPP), the Individual Placement and Support programme, Intensive Personalised Employment Support, and the planned introduction of a new supported employment programme - Universal Support.

Work coaches undergo comprehensive learning to support customers with additional or complex needs, particularly those with disabilities and mental health conditions, which they continue to build on in the workplace by accessing point of need learning products. This learning provides work coaches with the knowledge and skills to be aware of and support claimants with their disabilities and help them to overcome any barriers, allowing them to move closer to the labour market. This may include providing claimants with additional support and signposting them to specialist services if required.

### Conclusion and recommendation 2

DWP Youth Hubs offer vital services to young people and the provision of mental health support services in all Youth Hubs is a critical part of that. However, not all young people who need this support are currently able to access it. There is also insufficient guidance to ensure that the mental health support provided meets appropriate quality standards across the Youth Hub network. *Whilst the work that DWP is doing with integrated mental health support in Youth Hubs is encouraging, DWP must ensure that these services are available to all young people who are out of work across the country. Eligibility requirements should be expanded so that economically inactive young people who are not claiming Universal Credit but want help returning to the labour market are able to access Youth Hub services.* (Paragraph 50)

## Response

The Government announced in the Spring Budget that it would be expanding access to the Youth Offer to enable more young people on Universal Credit to see a work coach in a Youth Hub or to benefit from the expertise of our Youth Employability coaches. Many Youth Hubs already offer drop-in services of some kind, which include support for those not on Universal Credit. A locally led and place-based approach is fundamental to the Youth Hub model and it is therefore at the discretion of each individual Hub whether they offer support to non-Universal Credit claimants.

Further, Youth Hubs are delivered via a joint arrangement between DWP and partners. As such, partners located within a Youth Hub can determine their own criteria for providing support, which may include non-Universal Credit claimants.

## Recommendation 3

***DWP should ensure that mental health support services continue to be set up in all new Youth Hub locations as a mandatory element. DWP needs to set clear guidance for these services to ensure a baseline standard of delivery across the Youth Hubs network.*** (Paragraph 51)

Youth Hubs follow a place-based approach, in conjunction with local partners. The type of support provided in Hubs aims to meet the needs of young people in their local community. The support offer is underpinned with a Service Level Agreement which will ensure access and signposting to available local services.

We have recommended that all new Youth Hubs consider the barriers young people are facing (including access to mental health support) when determining the support services and partners available from a Hub. Our Youth Hub Work Coaches also engage with jobcentre Disability Employment Advisers and Partnership teams to ensure mental health support is available to Hub customers.

## Recommendation 4

***We welcome the expanded funding in Spring Budget 2023 for Youth Hubs. DWP need to establish an overarching funding structure and dedicated funding pot for Youth Hubs. DWP must also undertake an analysis of existing Youth Hubs to establish good practice and cost effectiveness. Knowledge and lessons learned should be shared with new centres.*** (Paragraph 52)

## Response

Youth Hubs are run in partnership with, and are hosted in the premises of, partner organisations. Where appropriate, partners can submit a grant application to receive funding to support the operational running of a Youth Hub. However, not all Youth Hubs are supported by grant funding and others will have identified alternative funding, such as Community Renewal Funds, to establish Hubs.

The Youth Offer is subject to a Process Evaluation, with full findings expected by late 2023. The evaluation plans involve hearing from young people from a range of backgrounds and

circumstances, and those that work with them, on the services they receive via Youth Hubs and jobcentres to understand their effectiveness and enable us to make improvements as appropriate. There are plans for an impact assessment of the effectiveness of the Youth Offer. The findings of both evaluations will inform any improvements or future changes to the Youth Offer policy and will be shared internally with those involved in the delivery of the Youth Offer.

Early in the development of Youth Hubs we engaged with West Midlands Combined Authority and Impetus in their development of a Blueprint for Hubs. Internally we have regular Youth Steering Group meetings, with colleagues from across service delivery, to support sharing of best practice, identification of areas for improvement and discussions on future Youth Hub strategy. Where appropriate we have also attended Youth Hub networks led by external partners to hear feedback and learn about best practice in terms of supporting young people across the country.

### **Conclusion and recommendation 5**

**We welcome the joint DWP and the DHSC Individual Placement and Support in Primary Care (IPSPC) initiative that has tried out embedding employment support in mental health services for mild to moderate mental health conditions. *The Department should work with devolved administrations to roll out IPSPCs more widely so that this service is available across the country. DWP should also consider how NHS integrated care systems can provide employment support to people with other long-term health conditions, along with mental health.*** (Paragraph 53)

### **Response**

The Individual Placement and Support in Primary Care (IPSPC) programme, a Supported Employment model (place, train and maintain) delivered in health settings, is already aimed at people with physical health conditions as well as common mental health conditions to support them to access paid jobs in the open labour market. IPSPC is the first phase of the DWP's Universal Support employment programme, announced in the Spring Budget. IPSPC services began in April 2023 and have since been extended to support over 25,000 disabled people in 41 top tier local authorities in England find and stay in work, by March 2025. The learning from IPSPC will inform the design and delivery of Universal Support (Phase 2) which will be introduced nationally from 2024.

It is one of the models developed by the DWP and DHSC Joint Work & Health Directorate (JWHD) which was set up in 2015 in recognition of the significant link between work and health and to reflect the shared agenda of boosting employment opportunities for disabled people and people with health conditions.

Our provision includes a range of other initiatives delivered in partnership with DWP and the health system, including:

- Employment Advice in NHS Talking Therapies, which combines psychological treatment and employment support for people with mental health conditions.

- Working with partners to support healthcare professionals and non-clinical staff to improve work and health outcomes for patients. For example, we have extended the certification of fit notes to a wider range of health care professionals, enabling better conversations about work and health.

Spring Budget 2023 announced a further wide-reaching package focused on faster access to joined-up work and health support. New investment includes support for:

- Piloting the WorkWell Partnerships Programme (WWPP) to provide integrated work and health support for disabled people and people with health conditions who want help to remain in, return to or take up work. WWPP will be locally led, bringing together the NHS, local authorities and other partners, in collaboration with jobcentres, to design and deliver integrated work and health support.
- Introducing Employment Advisors (EAs) in Musculoskeletal Conditions (MSK) services in England, helping individuals with MSK conditions to return to or remain in employment.

Since health is a devolved matter, some of these initiatives apply only in England. We do however share expertise with the Devolved Administrations and explore opportunities to ensure evidence-based models are available more widely. In Scotland for example the IPS model has been built into their Fair Start Scotland programme and they have recently published a review: [Fair Start Scotland - individual placement and support review: findings - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/fair-start-scotland-individual-placement-and-support-review-findings/pages/1-10.aspx)

### **Recommendation 6**

***The Government should have the IPSPC initiative rolled out across the country by the end of this financial year in March 2024.*** (Paragraph 54)

### **Response**

IPS for people with Severe Mental Illness (SMI), is already a national NHS service available across England. IPSPC has adapted that model for people with more moderate physical or common mental health conditions.

IPSPC services began in April 2023 and will support over 25,000 disabled people in 41 top tier local authorities in England to find and stay in work by March 2025. The learning from IPSPC will inform the design and delivery of Universal Support which will be introduced nationally from 2024.

IPSPC services will work alongside Employment Advisors (EAs) in NHS Talking Therapies. Talking Therapies enables patients to access combined therapeutic treatment and employment support to help them to remain in, return to or find work and improve their mental health.

The Employment Advisors in NHS Talking Therapies programme is expanding from 40% of NHS Talking Therapies sites across England to 100% of sites by spring 2024. The service is being extended through the recruitment and training of approximately 700 Employment Advisors so that up to 100,000 people can receive the combined offer each year from 2024/25 onwards.

## Conclusion and recommendation 7

**The benefit rules for Universal Credit and Housing Benefit can interact in such a way that a cliff edge arises when claimants in supported accommodation who must claim both benefits work more than 12 hours a week. This is counter-productive to encouraging younger employees to return to the labour market. DWP should not maintain any policies or practices that stand in the way of people who want to work. Not only does this reduce labour market engagement in the short-term it can also prevent people from progressing at work and becoming financially independent in the long-term. DWP needs to remove this cliff edge. The Government should increase the applicable amount within Housing Benefit for young people in supported accommodation to £117.56 a week, either by raising the personal allowance or by introducing a new premium. This would bring the benefit taper in line with those not in supported housing. This change should be implemented no later than the start of the 2024–25 financial year.** (Paragraph 57)

## Response

The Department acknowledges the challenge presented by the interaction between Universal Credit and Housing Benefit for those residing in supported housing and it remains the Department's ambition to address this issue as part of on-going work to improve support for the most vulnerable in society.

The recommended approach detailed within the report risks disadvantaging some customer groups. However, we acknowledge that there would also be significant positive implications from such a change, including impact on claimants' well-being and the wider labour market, so officials are working to develop effective and deliverable policy options. After a successful bid to the Labour Market Evaluations and Pilot Fund, we are also designing a proof of concept in conjunction with West Midlands Combined Authority. The voluntary PoC will test financial support for eligible 18–24-year-olds living in commissioned supported housing who move into work or increase their working hours and cease receiving Universal Credit. They will receive a top up payment for 6 months. We are hopeful that this will provide new insight to inform future policy.

The Department are keen to act but it would be challenging to eradicate this issue as early as April 2024. All options would require secondary legislation and system upgrades to enable implementation. Funding would also need to be secured through a future fiscal event before implementation activity could begin.

## Conclusion 8

**We welcome the Minister for Disabled People, Health and Work's intention for "a root and branch" review of the Disability Confident scheme and his acknowledgment of the role this will play in changing attitudes around disabled workers.** (Paragraph 61)

In late 2021, we began a review of the Disability Confident Scheme, announced in the National Disability Strategy (NDS), which gathered evidence and views about the scheme from a broad range of stakeholders including the Disability Confident Business Leaders Group and Professional Advisers Group, and from employers' disability charities, and other key stakeholders.



However, in January 2022, the High Court declared the NDS was unlawful, therefore, we paused work directly related to the Disability Confident review.

In July 2023, the Court of Appeal overturned the High Court's previous declaration that the NDS was unlawful. In light of this decision, we have re-examined the evidence gathered and the initial review findings, and officials are refining the recommendations. We will continue the important work of implementing this long-term strategy to transform disabled people's everyday lives for the better.

The Government is currently consulting on the Disability Action Plan, the consultation closes on the 6th of October 2023. The government response to the consultation will be published in due course.

### **Conclusion and recommendation 9**

**Many people are not able to work full-time, and a lack of suitable, flexible work is barring people from engaging with the labour market. This is particularly evident for people who have additional needs or responsibilities which make more traditional working patterns challenging. DWP should produce a hiring guide within the next six months which encourages employers to create opportunities for flexible working where possible, including hybrid working, job sharing, flexible hours and part-time roles. This guidance should highlight the benefits to both employers and employees and promote a change in employer attitudes towards offering greater flexibility to staff. The success of these initiatives will partly depend upon the impact that they have on productivity.**  
(Paragraph 65)

### **Response**

The Government has for some time been promoting the key role the availability of flexible working can play in supporting people to access, remain and return to work. DWP works closely with DBT on this issue, including to promote flexible working to employers.

This is why we have supported the Employment Relations (Flexible Working) Act 2023. The Act will make some key changes to the existing legal framework around the right to request flexible working, to better encourage a positive conversation between employer and employee and make it easier to make a request. In parallel the Government has committed, through regulations, to make the right to request a flexible working arrangement apply from the first day of employment. This will bring an estimated 2.2 million additional employees into scope. This is an important step in supporting people who need to access flexible working in order to enter or return to the labour market.

Through the Carer's Leave Act 2023 we are additionally creating a new leave right which will give extra flexibility to those employed unpaid carers who may be at risk of falling out of the labour market as they face the challenge of balancing work with their caring responsibilities.

When it comes into force, this new legislation will also be supported by comprehensive guidance, which will provide an opportunity to explain the business case for flexible working. It will also provide the opportunity to set out some of the implications of the new legislation.

Of course, not all flexible working is statutory or contractual and less formal flexible working can also help people to remain in work – where they are managing a fluctuating health condition, for instance. That is why we have also published a [call for evidence](#) on non-statutory flexible working to seek views from both individuals and businesses on their experiences of non-statutory flexible working and how it operates in practice.

We are also looking to support voluntary approaches by employers when it comes to flexible working and recruitment. Working Families, with the support of the Government's Flexible Working Taskforce, have developed the "[Happy To Talk Flexible Working](#)" strapline and logo to support employers on their journey to designing more flexible roles. This was launched in July and is supported by several business representative organisations and groups such as the TUC, Acas and the Equality and Human Rights Commission. "Happy to Talk Flexible Working" explains what flexible working is and sets out the business benefits and is supported by the Chartered Institute of Personnel and Development's [business case for flexible working](#). Employers are asked to make a commitment to use the logo appropriately.

Therefore, rather than creating another product, Government believes the best course of action is to work closely with Working Families and the other members of the Flexible Working Taskforce to encourage employers to sign-up to "Happy to Talk Flexible Working".

### **Conclusion and recommendation 10 and 11**

**Ageism in the workplace is an important issue that needs to be confronted if this demographic is to be successfully supported to stay in or re-enter employment. Employers should be supported by DWP to create job roles and a workplace environment which are attractive to older workers, emphasising the value and experience that older people bring to the workplace.** (Paragraph 82)

**DWP should establish a scheme which champions older workers and encourages employers to hire staff over the age of 50. This scheme should push to improve workplaces for older people by providing an outcomes-based accreditation to employers who can demonstrate that their workplace is welcoming and supportive of older workers. Employers who join the scheme should be required to publish staff data on over 50s employment in their organisation.** (Paragraph 83)

### **Response**

The Government is committed to delivering a comprehensive package of support to help older workers to remain and return to work, in recognition of the challenges they can face.

Midlife MOTs can help people in their 40s and 50s who are both in and out of work, to review and take stock of their finances, skills and health. We are delivering Midlife MOTs in Jobcentres across GB; piloting Midlife MOTs through private sector suppliers to employees in North-East England, East Anglia and Cornwall and Devon; and recently launched our enhanced digital offer.

DWP does not propose to establish any age specific schemes for employers at this time. The Government recognises the valuable contribution that older workers can bring to

the workforce and is committed to driving change by raising awareness of ageism, and is committed to engaging with the private sector, to encourage, and support age inclusive workforce policies.

It is important that employers feel confident when taking their first steps to becoming an age-inclusive employer, and that they feel able to engage positively without any additional business challenges. DWP has signed the Age-friendly employer pledge, a nationwide programme run by the Centre for Ageing Better to promote age inclusive working practices. In turn, the DWP National Employment and Partnership Team (NEPT) have strong relationships with employer partners and are promoting the pledge to encourage others to sign up too.

The department and the Business Champion for Older Workers, Andy Briggs, engage with employers to promote the benefits of older workers to business. Employers will increasingly need to employ and retain the skills and experience of older workers longer to remain competitive and avoid skills and labour shortages. A key component of this activity is the Minister for Employment's Roundtable of employer organisations, using trusted voices to influence and drive change.

On 6 March 2023, the Minister for Social Mobility, Youth and Progression announced the appointment of Helen Tomlinson, as the Government's Menopause Employment Champion. Helen's role is to drive awareness of issues surrounding the menopause and work, encouraging employers to develop policies that create a more supportive environment to support women to stay in work and progress.

### **Conclusion and Recommendation 12**

**18,400 employers now have Disability Confident accreditation, helping to encourage employers to recognise the importance of making the workplace accessible for disabled people. However, this scheme focuses on processes rather than outcomes. It does not do enough to ensure that impactful change is being made to the working lives of disabled employees or to increase the number of disabled employees that accredited employers hire. DWP should strengthen the requirement for employers to recruit disabled people before being awarded a higher level of accreditation in the Disability Confident Scheme. DWP should introduce banded thresholds for the percentage of disabled people that an employer must employ in order to attain levels 2 and 3 of the Disability Confident accreditation.** (Paragraph 84)

### **Response**

We agree that there is a need for Disability Confident to focus on outcomes. Employers across all three levels of the scheme are required to undertake activities that provide work-opportunities for disabled people. When joining the scheme employers make commitments which include attracting disabled people and ensuring that their recruitment processes are fully inclusive and accessible; communicating and promoting vacancies to attract disabled people; offering an interview to disabled people that meet the minimum criteria for the job; anticipating and providing reasonable adjustments as required; and supporting existing disabled employees to retain employment.

The current Disability Confident scheme guidance includes a requirement that employers at level 3 of the scheme must employ disabled people.

The Disability Confident scheme review considered ways in which levels 2 and 3 might be strengthened. Now that we can proceed with the review, we will be improving the scheme guidance, incorporating stakeholder feedback received, to ensure employers are fully aware of the scheme requirements.

Disability Confident is a voluntary, employer-led scheme that takes employers through a learning journey, which seeks to promote a cultural change and encourage businesses to recruit and retain disabled people. The scheme aims to support disabled people into genuine, long-term, meaningful work and does not currently utilise banded thresholds, which do not necessarily lead to fulfilling employment for disabled people or cultural changes within organisations. While the scheme supports employers to create inclusive workplace cultures, we recognise that not all employees will wish to disclose whether they have a disability and disclosure should be entirely voluntary.

The Equality Act 2010, which replaced the Disability Discrimination Act 1995, provides the legislation that protects against discrimination of disabled people.

### **Recommendation 13**

***Employers at level 2 should also be required to publish the percentage of disabled employees at their organisation. This would send a much stronger signal to disabled people in the labour market about which employers employ disabled people and have supportive, accommodating working environments.*** (Paragraph 85)

### **Response**

As part of the Disability Confident review, we gathered evidence and views about strengthening levels 2 and 3 of the scheme. At present, level 3 of the scheme does require employers to report on disability employment, mental health and wellbeing using the Voluntary Reporting Framework.

Now that we can proceed with the scheme review, we are considering ways that we could demonstrate the impact of the scheme including extending the reporting requirement. We will be considering the findings from the [Disability Workforce Reporting Consultation](#) when they are published, which will help inform any changes to the reporting requirements for the Disability Confident scheme.

### **Recommendation 14**

***DWP should consider the potential that income protection insurance has to help people experiencing illness or injury remain in employment, support their return to work and reduce the financial burden on DWP when people become unable to work. DWP should explore how income protection insurance could work alongside occupational health as a joined-up approach to promoting workplace health.*** (Paragraph 99)

## Response

The Government is working to improve and better integrate resources for businesses to help them support and manage health and disability in the workplace. This follows employer responses to the 'Health is everyone's business' consultation which was published in July 2021.

Some respondents highlighted the importance of insurance products such as Group Income Protection (GIP) and Individual Income Protection (IIP) as another way of supporting employees' health and wellbeing. There are a range of policy types available. GIP insurance products offer one way for employers of all sizes to access a range of expert-led support should it be required, such as counselling services, Occupational Health or vocational rehabilitation, as well as the provision of income in the event of sickness absence.

The Government agrees that, where policies are accompanied by high-quality services aimed at preventing ill health and offering support to help an employee return to work, insurance products are a valuable source of support, in addition to offering a financial benefit if an employee is unable to work due to illness or injury. Certain IIPs can provide similar benefits for the self-employed.

While insurance products might not be appropriate for some employers, as noted in [Improving Lives: The Future of Work, Health and Disability](#), the Government recognises the positive work across the industry to advance the offer for employers, particularly small and medium-sized enterprises, such as developments in the provision of digital services. We will also work with the industry to improve awareness among employers and self-employed people of the benefits protection policies can provide.

More Broadly the government recognises the importance of Occupational Health (OH) and has launched a consultation ([Occupational Health: Working Better](#)) which aims to bring together employers, healthcare sector, and local communities by consulting on ways to increase OH coverage. We are working with industry representative organisations to understand the role of insurance products in increasing access to OH a part of the consultation process.

## Conclusion and Recommendation 15

**There is inadequate access to occupational health services, especially for those working for small businesses. The rise in the number of people who are economically inactive due to long-term health conditions and high rates of economic inactivity among disabled people suggests more needs to be done to support health at work. We support the initiatives introduced in the Spring Budget around occupational health. However, DWP needs to outline a more detailed timeline about when these initiatives will take place. DWP should implement the research recommendations following the expansion of the SME subsidy pilot. We urge the Government to release such findings before the 2022–23 Session is prorogued.** (Paragraph 104)

## Response

On 20 July, the Government launched two consultations, [Occupational Health: Working Better](#) which is seeking views on proposals aimed at increasing employer use of Occupational Health (OH) Services and [Tax Incentives for Occupational Health](#), which is aimed at employers, particularly SMEs (small to medium sized enterprises), OH providers, healthcare professionals and non-healthcare professionals.

Access to Occupational Health services can play an important role in reducing economic inactivity by supporting disabled people and people with health conditions to stay and succeed in work.

We will be analysing the results of both consultations after they close on 12 October 2023 and responses will inform potential policy proposals for increasing access to OH and improving employee health in the workplace. The Government announced in the Spring Budget that it will expand the forthcoming OH SME subsidy pilot to test a small-scale financial incentive and market navigation scheme which will support the uptake of OH services. The SME subsidy pilot is in design, with timelines to be confirmed. Findings will inform future recommendation on whether to roll the scheme out further.

## Recommendation 16

*DWP should also use the SME subsidy pilot to conduct research on employee attitudes to occupational health and barriers to take-up. This should be done with a view to establishing a requirement for employees to participate in occupational health services following an extended health-related absence from work to support their return to the workplace.* (Paragraph 105)

## Response

Government has committed to testing a financial incentive (subsidy) and market navigation support scheme to gather evidence on whether this is effective in increasing access to OH for Small and Medium Enterprises (SMEs) and the self-employed.

Spring Budget 2023 announced new funding to expand the forthcoming Occupational Health SME subsidy pilot. This funding covers the next two financial years and increases in the second year as the pilot increases in scale.

Chapter 2 of the Occupational Health: Working Better consultation considers the lessons learned from both international and domestic examples of systems change. Responses will inform potential policy proposals for increasing access to OH.

## Conclusion and Recommendation 17

**Creating opportunities for older workers to remain active in the labour market for longer is important for reducing economic inactivity. The Government's Returnerships initiative looks to support older workers to change career but does not attempt to reduce the loss of industry experience and expertise that this will entail. DWP should develop a mentoring initiative that provides opportunities for older workers to take on**

***roles as industry mentors to train and support new workers. This is particularly relevant for sectors such as construction and healthcare which see high levels of work-related ill-health or burnout.*** (Paragraph 106)

### **Response**

As part of their wider role, specialist 50 Plus Champions are partnering with jobcentres and employers to facilitate delivery of employer led mentoring workshops. Workshops can be tailored specifically to 50 plus claimant groups and if appropriate, delivery is sector specific. Sessions provide additional employability support and advice on transferable skills which can support individuals to pivot into another career. The results of this partnership work are being seen across all jobcentre districts, with several leading employers working alongside DWP staff to support jobcentre customers.

The Taking Teaching Further (TTF) programme provides support for individuals considering a career teaching in Further Education (FE), including those over 50 looking to share their industry expertise with the next generation. TTF provides funding to support FE providers to recruit and provide early career support to individuals with the relevant knowledge and industry experience to retrain as FE teachers, including in construction and the built environment, health and science, and care services. Since 2018, the TTF programme has supported around 1,000 industry professionals to make the transition to FE teaching. In addition to the above, we are piloting a £6,000 financial incentive to eligible TTF recruits in some of the most hard-to-fill subjects, including construction and the built environment, and engineering and manufacturing, which are UK high growth or priority subjects.

### **Conclusion and recommendation 18**

***Some over 50s who stopped working after the pandemic may not have the financial security, they need to support themselves for the rest of their lives. We welcome the new Midlife MOT website launched by DWP on 5 July 2023 and its purpose to “help older workers with financial planning”. In line with our recommendations in the Accessing pension savings Report, DWP should work to ensure maximum take-up of the scheme and monitor its accessibility and effectiveness. DWP should confirm that it is still committed to offering the mid-life MOT in person, as well as digitally.*** (Paragraph 116)

### **Response**

The Government is committed to delivering a comprehensive package of support for older workers which includes the digital and Jobcentre Plus Midlife MOT. The digital offer is open and available to everyone. The [Midlife MOT website](#) signposts to key organisations and charities, including the NHS and MoneyHelper. The digital offer will continually be reviewed to ensure it is as up to date and tailored as possible.

Since its launch in January 2023, the Midlife MOT is being delivered face to face in jobcentres to eligible 50 plus claimants across GB. Spring Budget 2023 announced the offer will be expanded to up to 40,000 participants a year, meaning even more 50 plus claimants will now be able to take part in a session.

The Department is collaborating with three different private sector suppliers to deliver employer-to-employee Midlife MOTs in three pilot areas. The pilot went live on 15 May 2023 and will run for two years. The three pilot areas are North East England facilitated by PeoplePlus, East Anglia by Reed, and Cornwall and Devon by Capita. Employees in these pilot areas are able to access support on boosting their confidence for later life planning, signposted to helpful tools and provided with information and guidance on their health, enabling them to take action reflective of their circumstances.

### **Conclusion and recommendation 19**

**The UK labour market is facing high rates of economic inactivity, driven up as a result of the pandemic and the ending of freedom of movement. Although rates have now somewhat recovered, there are many more people outside the labour market than prior to the Covid-19 pandemic. Whilst DWP offers a range of support for unemployed people who are in receipt of benefits there is almost no support available to individuals who are economically inactive and outside the benefit system. We are concerned that a lot of people who are not in work but are capable of working, are not being supported to re-enter the labour market. DWP should expand the eligibility requirements of future support programmes that target groups with high levels of economic inactivity to include people who are not in receipt of benefits.** (Paragraph 124)

### **Response**

Though economic inactivity rates remain higher than they were before the pandemic we have seen a fall of over 300,000 since the post-pandemic peak. We recognise the importance of supporting economically inactive people, and those at risk of becoming economically inactive, to participate in the labour market. Spring Budget 2023 announced a wide-ranging cross-government package of measures to support people into or closer to work, including for those not receiving benefits. This includes the enhanced digital Mid-life MOT, increasing the availability of Skills Bootcamps, the expansion of the free childcare hours offer and additional funding for wraparound childcare.

In addition, DWP has a range of support already available to non-claimants, much of it targeted at disabled people and those with health conditions due to long-term sickness being the most common reason for economic inactivity.

This includes: Access to Work grants; Disability Confident, Intensive Personalised Employment Support; and the online information service – Support with Employee Health and Disability. The Government also works in partnership with health systems to deliver support including Employment Advisers in NHS Talking Therapies, and the Individual Placement and Support in Primary Care (IPSPC) programme, delivered in health settings.

We will keep the Committee's recommendation under consideration for future support programmes, as well as ensuring that any future support delivers value for money for the Department and the taxpayer.



The UK Shared Prosperity Fund (UKSPF), owned by the Department for Levelling Up, Housing and Communities is also a key source of local funding to support economically inactive individuals, including those who are not in receipt of benefits, move towards employment.

### **Conclusion and Recommendation 20**

**The Restart scheme has seen an underspend against its budget since it was launched in 2021. Despite this, strict eligibility criteria mean that many people who would benefit from the support of the programme are not able to access help. *Where there are programme underspends or lower than expected uptake of schemes, as seen with Kickstart and Restart, the Department should allow people who are economically inactive and meet the programme's other criteria to access support. These programmes need to be well publicised in places that have regular contact with the key demographics. This might include advertising in GP surgeries, youth centres and housing associations to ensure economically inactive people are made aware of the available help.*** (Paragraph 125)

### **Response**

The Government's Plan for Jobs successfully supported people through the pandemic, and Kickstart and Restart were an important part of this.

The Restart scheme was designed in response to an Office for Budget Responsibility unemployment forecast of 11.9%. However, recovery from the pandemic was quicker than anticipated with unemployment peaking at 5.2%. The department renegotiated the Restart contracts, reducing the size of the programme accordingly. As the forecasts for unemployment reduced, we were able to expand eligibility from those who had been in Intensive Work Search (IWS) for between 12 and 18 months to those who had been in IWS for 9 months, to provide an increased opportunity for more claimants to benefit from the scheme. As of the end of April 2023, over 450,000 people have started this scheme since July 2021 and over 150,000 people have reported first earnings. Restart expenditure is monitored robustly by the Department, to accurately forecast expenditure and continue to ensure that it secures value for money for the taxpayer.

Similarly, for Kickstart, as the labour market recovered from the pandemic, and young people moved back into work, we rightly refocused our employment support strategy to reflect that and as a consequence fewer Kickstart jobs needed to be funded.

Restart is designed for claimants who have been unemployed and actively searching for work in the IWS regime for over 9 months, therefore the department does not agree that Restart should be extended to inactive people. As noted in response to the previous recommendation, there is already a range of support available to those who are economically inactive and not claiming benefits and as part of the first phase of Universal Support, 25,000 additional places will be offered through the Work and Health programme for inactive customers using a place and train approach.

On the committee's point of publicising these programmes, the Government agrees it is important to raise awareness of support available. DWP always aims to promote and raise awareness of our programmes to ensure that eligible claimants understand the support available to them and are referred if the support is appropriate for their circumstances.

The largest economically inactive group is those who are disabled or long-term sick, many of whom DWP is in contact with via the benefit system. Beyond this, we work with a wide range of partners to ensure our support reaches those who need it, including health systems and regional and local government across the country. This includes the WorkWell Partnerships Programme announced at Spring Budget, which will bring together the NHS, local authorities and other partners in collaboration with Jobcentres to provide joined up work and health support.

## Employment support services and getting people into work

### Conclusion and recommendation 21

We have heard numerous positive reports about Kickstart, however, without a comprehensive analysis of Kickstart or any publication of data on employment outcomes, it is not possible to say with any assurance how successful the scheme has been or what value it delivered for participants. We look forward to the statistical release which DWP has said it will publish "before the end of term". *DWP should apply the lessons of its forthcoming evaluation in considering possible future schemes along the lines of Kickstart.* (Paragraph 135)

### Response

The [Kickstart Scheme process evaluation](#) was published in July 2023. The learning gained through the evaluation, based on the views and experiences of large numbers of young people, employers and partner organisations, are providing insights relevant to a range of ongoing policies, as well as lessons for the development of any future similar schemes.

### Conclusion 22

We welcome that the Department has already responded positively to our request to publish Restart statistics regularly. The previous lack of transparency around how the programme was performing and its employment outcomes for participants had prevented valuable external assessment of the scheme and limited DWP's accountability for the programme outcomes. The move to publish regular statistics for Restart is a good step towards increased transparency. (Paragraph 140)

### Conclusion and recommendation 23

Access to Work is seen as being a very successful programme with positive impacts for claimants. However, employer awareness of the scheme is limited and there are many more people with a disability or health condition who could benefit from the support. *In line with our recommendations in the Disability employment gap Report, DWP should launch a marketing campaign targeted at employers and disabled people to raise awareness of the scheme.* (Paragraph 148)

## Response

DWP is committed to improving awareness of Access to Work. In 2021, DWP delivered a paid communication campaign to increase awareness, widen the reach and increase take-up of grants under the scheme. We have built on the learning of that campaign and targeted our communications to make disabled people aware of the benefits of Access to Work. We are continuing to explore opportunities to maintain our media presence via our social media channels and regularly share information about Access to Work in this way.

We are also undertaking further marketing and promotion of Access to Work, including working with stakeholders, partners and employer associations to raise awareness through communications to their customers and ensuring advisers who work with potential customers, including work coaches, health professionals and advisory groups, have the information and tools to act as advocates.

To further raise awareness of Access to Work and support disabled people with transitions into employment, we have introduced a series of Adjustments Passports. The Adjustments Passport highlights the support which Access to Work can provide, how to apply and can be used to support conversations with employers to increase employer awareness. We continue to explore new channels to reach disabled people and employers.

## Recommendation 24

***DWP should roll out the Work Adjustment Passport for everyone who receives support from Access to Work to support people transitioning into work or between jobs. This would make it easier to access support and obtain adjustments quickly.*** (Paragraph 149)

## Response

DWP has developed a series of tailored Adjustments Passports with stakeholders to support at key points in the transition into employment. The passport pilots have been delivered in a variety of settings to enable DWP to gain an understanding of whether introducing a passport can support a more coherent journey of adjustment support, reduce the need for assessments where needs remain the same and empower the passport holder to have a more confident conversation with potential employers about their workplace adjustments.

The passports all follow the same format, supporting the Access to Work decision making process, while the language and layout reflects the needs of the users. Two of the Adjustments Passport pilots supporting disabled jobseekers and armed forces service leavers have been rolled out nationally, with the third supporting university students being rolled out in Autumn 2023.

Building on the success of the tailored Adjustments Passport, work is underway to develop a generic passport to support disabled people and those with a health condition with the transition into employment and support those who need support whilst in employment. This will provide the user with:

- An up-to-date, transferable record of their working requirements and adjustments

- A communication tool to empower them to have more structured discussions with employers
- A clear view of the in-work support available by raising awareness of Access to Work, for the user and their employer; and Support with their Access to Work application by reducing the need for an assessment if the needs are documented.

### **Conclusion and recommendation 25**

**The Access to Work system is outdated and often unable to accept online document submission or e-signatures. A system that requires applications and claims must be sent in by hand acts as a practical barrier to support. DWP needs to update the Access to Work document submission process so that all documentation can be submitted online. It should do this by the end of 2023.** (Paragraph 150)

#### **Response**

While there has been an online way for customers to apply for Access to Work since 2017, in June 2023 DWP introduced a new online process for customers to be able to claim the Access to Work grant. This enables customers to submit new claims online, upload evidence where appropriate, have their claims digitally countersigned, view previously submitted claims and see how much of their grant is left. The paper claim form can still be used by those who are not able to use the digital service.

### **Recommendation 26**

**In line with our recommendation in our Disability employment gap Report, we recommend that DWP should review the number of DEAs and the support that Jobcentre Plus staff receive on supporting disabled people. DWP need to ensure that there is adequate access to specialist advice for disabled people in Jobcentres which covers specific needs of different groups.** (Paragraph 152)

#### **Response**

To ensure that there is adequate access to specialist advice for disabled people, all work coaches and Disability Employment Advisers (DEAs) undergo comprehensive learning to support customers with additional and/or complex needs, particularly disabilities, and they continue to build on this in the workplace through accessing point of need learning products. The learning products are regularly reviewed, using findings from our post learning evaluation. Any opportunities to improve are impacted across all the learning products and changes made as quickly as possible.

From April 2019, the DEA role was redesigned to deliver specialist health related coaching and support to work coaches and other colleagues in Jobcentre Plus to help them deliver more personalised support, tailored to meet individual needs.

In addition, DEAs also directly support claimants for up to 13 weeks, where additional support can benefit the claimant. DEAs undergo comprehensive ongoing learning which continues at point of need throughout their role. This provides DEAs with the knowledge and skills to enable them to treat each claimant as an individual. DEAs are trained to

discover and understand how a range of conditions might affect a person's ability to look for and undertake work, using several methods to learn the facts from claimants. DEAs use a range of resources that are frequently updated including the District Provision Tool, a directory of the provision and support delivered by Jobcentre Plus, providers, local authorities, volunteer and charity organisations along with links and contacts to signpost claimants and colleagues to these services. This ensures that they can access the most up to date advice and expertise on a particular disability or health condition.

DWP will keep the numbers of DEAs under review to meet the demands of people with disabilities and ongoing health conditions and ensure that the specialised employment support is available beyond the core offer. DWP is ensuring that every work coach in every jobcentre continues to get support from a DEA.

### **Conclusion and Recommendation 27**

**With the withdrawal of the New Enterprise Allowance (NEA), there is no longer a dedicated self-employment support programme provided by DWP. Many people, including older people and disabled people, would benefit from the opportunity to start their own business as a way to engage with the labour market. DWP should evaluate the NEA and consult with external organisations who operate self-employment support schemes to design a new self-employment support programme that offers effective support and is inclusive of the needs of both disabled people and older people.** (Paragraph 159)

### **Response**

DWP does not currently plan to develop a new self-employment support programme. There is a range of external support available to help claimants move into self-employment or develop existing self-employment. Claimants who are self-employed for the first time are eligible for a 12 month start up period during which work coaches signpost them to national and local support such as business advice, mentoring and training.

Self-employed claimants are also eligible for the Government's small business support funded by the Department for Business and Trade. This includes the Start Up Loans scheme, run by the British Business Bank, which provide loans up to £25,000 to people who may otherwise struggle to get a commercial bank loan as well as 12 months business mentoring; the Business Support Helpline; and Local Growth Hubs in England, alongside Business Wales and Fair Start Scotland, which offer support, advice, and guidance to new and existing businesses. DWP's Flexible Support Fund can, in certain circumstances, also be used to help claimants move into or develop their self-employment, for example to pay for the upfront costs of childcare or to provide training if there is no existing provision available. The Department for Work and Pensions and Department for Business and Trade are working to increase awareness amongst self-employed disabled people.

Claimants who want to become self-employed can also receive support through DWP's employment support programmes, Restart, the Work and Health Programme and the Intensive Personalised Employment Support (IPES), if they meet the eligibility criteria. Claimants who are over 50 are eligible for additional support from work coaches to help them into work, which could include support to become self-employed or to develop existing self-employment.

The Department does not have plans to undertake a final evaluation of the New Enterprise Allowance programme.

### **Conclusion and Recommendation 28**

**The move from ESF to UKSPF is of significant concern for external support providers. Whilst the Government's eventual decision to lift the restriction on the use of the UKSPF for people and skills spending is welcome, there is still expected to be disruption due to comparatively less funding under the UKSPF, especially to the services that smaller organisations deliver. This puts services at risk of collapse and will impact the extent of support available to economically inactive people. *The Flexible Support Fund (FSF) offers organisations access to a limited amount of funding for delivery of employment support programmes. DWP should expand FSF to help mitigate the loss of essential services for economically inactive people.* (Paragraph 170)**

### **Response**

UKSPF is a Department for Levelling Up, Housing and Communities fund. UKSPF provides £2.6 billion of new funding across the UK for local investment by March 2025 and was clearly identified as the key source of local funding to tackle economic inactivity, however it is for lead authorities to determine how UKSPF is best invested locally. Before the restrictions were lifted, lead authorities in England were given flexibility to invest in people and skills interventions in 2022–23 and 2023–24 where the voluntary and community sector were at risk of funding from the European Social Fund ending before 2024–25.

The Flexible Support Fund (FSF) is a discretionary fund with a value of £60m per year that jobcentre staff can use to help benefit claimants move into or progress in work or to move closer to the labour market. It is available to local teams to purchase services to tailor support to the needs of individuals and the local area as identified by local jobcentre staff. As such it is not the most appropriate mechanism for supporting economically inactive individuals, many of whom will not be on benefits or in regular contact with Jobcentre Plus and are often supported through voluntary, community and social enterprise organisations which local areas are empowered to fund through their UKSPF allocations.

At Spring Budget 2023 we have announced an additional comprehensive package of cross-government support targeted at increasing workforce participation and reducing economic inactivity. This includes investment aimed at groups who are more likely to be or at risk of becoming economically inactive, including those who are long term sick or disabled, parents and over 50s. For example, we have developed the WorkWell Partnerships Programme. This pilot programme will deliver integrated work and health support to disabled people and people with health conditions, who want help to remain in, return to or take up work.

## Transforming support

### Conclusion and recommendation 29

The Way to Work campaign focused on moving people into work as quickly as possible, without considering whether this work was suitable or sustainable in the long-term. This approach may reduce unemployment in the short-term, but the long-term positive impacts are not evidenced. It can also dissuade employers from using Jobcentres as a resource for finding new employees. *DWP should re-focus on getting people into sustainable and suitable employment that enables them to stay in work long-term.* (Paragraph 181a)

### Response

DWP has comprehensive support in place to help people start, stay and succeed in work, including face-to-face time with work coaches who provide a package of interventions to help claimants prepare for, look for and move into work which are tailored to individual capability and circumstances.

Beyond getting people into work, DWP is committed to supporting individuals to progress in work, helping them increase their earnings and move into better paid, quality jobs. Support provided through the voluntary In-Work Progression offer focuses on removing barriers to progression and providing advice such as considering skills gaps and identifying training opportunities.

In addition, Restart provides intensive, tailored support to long-term unemployed people to help them into sustained work. There are contractual job outcome expectation measures for Restart, set at the start of the contract with providers. Under the terms of the scheme, job outcomes represent sustained employment, and between July 2021 and April 2023, 84,000 individuals achieved a job outcome.

In addition, Spring budget 2023 announced Universal Support which utilises the concept of 'place, train and maintain' that helps match someone to a job that is right for them at the earliest opportunity, trains them to do the job in the way the employer wants it done and provides personalised, ongoing support to sustain their employment for the longer-term.

*DWP should undertake an analysis to understand the long-term employment outcomes of each of its programmes. For future programmes, DWP should create metrics around long-term employment outcomes, measure these outcomes for participants and publish this data.* (Paragraph 181b)

### Response

The Plan for Jobs package of employment support includes comprehensive programmes of analysis and evaluation, in some cases including programme impact analyses. This analysis includes reporting programme impact on longer term employment and benefit outcomes, building on previous evaluations, and cost-benefit analysis.

DWP employment programmes have employment outcomes aligned with programme policy intent. These are measured during the programme life and reported externally where there are published statistics for these schemes (for example, for the Work Programme, Work and Health Programme, Restart Scheme, and Work Choice).

The longer-term employment outcomes may be assessed through comprehensive programmes of evaluation which, where appropriate and drawing on best practice outlined in the Green and Magenta books, include outcome and impact analysis as well as wider evidence building to inform ongoing delivery and policy development.

### **Recommendation 30**

***DWP and the Government should consider and provide a response to the Good Jobs Project recommendation that the Government remove the requirement for employers to pay employer National Insurance for 12 months for new employees who were in receipt of certain benefits.*** (Paragraph 190)

#### **Response**

DWP notes with interest the evidence and recommendations in the Good Jobs Project. We will continue to engage with Regenerate as a stakeholder to understand their evidence and recommendations for the labour market. However, we have no plans to issue a formal response to the recommendations in the report, tax policy is a matter for HMT.

### **Conclusion and recommendation 31**

***DWP's employment support services do not currently offer much support beyond the point of securing employment. People who have multiple or complex barriers to employment or who have been unemployed for a long time are often seen as undesirable employees. People can also fall out of work if they are not supported during the transition into work. DWP should offer continued support beyond employment to claimants at greater risk of falling back into unemployment such as those with complex barriers to employment or those who have been unemployed for a long time. Support should be withdrawn gradually over the first three to six months of employment, depending on need, to support individuals as they establish themselves at work.*** (Paragraph 191)

#### **Response**

DWP is increasingly focusing on supporting the progression of those in work, as part of its aim of maximising employment opportunities and reducing economic inactivity. Universal Support will support individuals and employers beyond the point of a person securing employment and starting work. This in-work support will be personalised to reflect a person's and employers' needs. Universal Support will provide support for a maximum of 12 months, with no limitations on the amount of in-work support. DWP recognises the challenges that people with multiple and complex needs face and is committed to supporting this group to get the support they need to move towards sustained employment. People with multiple and complex needs will be able to access Universal Support, along with disabled people and people with health conditions.



Universal Support utilises the concept of 'place, train and maintain' that helps match someone to a job that is right for them at the earliest opportunity, trains them to do the job in the way the employer wants it done and provides personalised, ongoing support to sustain their employment. This individual tailored "wraparound" support of up to 12 months will include help for the individuals to address issues like debt, manage their health condition and help employers to put in place job shaping or other adjustments to accommodate individual needs and help people to sustain employment for the longer-term.

Further to this, DWP is working with the Department for Health and Social Care to expand the Individual Placement and Support (IPS) programme for drug and alcohol dependency to all Local Authorities in England by 2025. This programme uses a similar 'place and train' approach providing employment support alongside clinical treatment, making employment a key aim of recovery.

DWP also offers other programmes that offer support beyond the point of securing employment; the Work and Health programme, which provides in work support for disabled people and those in early access priority groups for up to six months, for those that need it. From September 2023 there will be 25,000 additional places offered through the Work and Health programme for inactive customers using a place and train approach as part of the first phase of Universal Support. Intensive Personalised Employment Support (IPES) is national provision for disabled people with complex barriers to employment and provides up to six months of intensive in-work support when a participant starts work.

Aside from supported employment schemes, DWP is extending the support jobcentres provide to people in work and on low incomes to help them to increase their earnings and move into better paid quality jobs. To achieve this, there are 2 key measures that we have introduced: i) increasing the Administrative Earnings Threshold (AET) in Universal Credit to ensure the lowest earners receive more intensive support from our work coaches to increase their earnings and ii) A new in-work progression offer for those earning above the AET who want to access support from our work coaches to earn more. This offer is currently live across all jobcentres in Great Britain, and claimants can access the support on a voluntary basis.

Support is being provided by work coaches and is focused on removing barriers to progression and providing advice, such as considering skills gaps and identifying training opportunities. The offer is for people looking for progression opportunities in their current role or advice to support them into a new role.

### **Conclusion and recommendation 32**

**Support that is tailored to the needs of the individual produces better long-term results that not only gets people into work but helps them overcome the barriers to employment that were preventing them from gaining and sustaining employment. If these challenges are not dealt with effectively and individuals are not adequately prepared for the workplace, people run the risk of falling back into unemployment. However, to feel able to access wraparound support, trust needs to have been established between the person accessing the support and the person providing support. The Jobs Plus programmes we visited in the US seemed to have built that trust and rapport by using a community development approach to delivery. DWP should adopt a person-**

*centred approach to future support initiatives which not only help people to find work but also to overcome barriers to employment. Schemes should bring together a range of services necessary to help address physical and mental health problems, intensive employment coaching, support for acquiring skills and qualifications, debt support and transport solutions. To achieve this, the Government should introduce a pilot of the Jobs Plus programme in the UK. Priority should be given to holding pilots, using a community development approach, in areas of high unemployment and high inactivity.* (Paragraph 207)

### Response

The Government recognises the important role that social housing providers can play in addressing some of our key labour market challenges. DWP has been working closely with Communities that Work and the Learning and Work Institute on the Jobs Plus concept. We are supportive of Jobs Plus and will be implementing a pilot scheme based on the Jobs Plus model.

### Conclusion and recommendation 33 and 34

**The current centralised delivery model for employment support does not make the most of local knowledge or expertise and promotes a one-size-fits-all approach to support design. A more devolved approach to support design and delivery would allow support to be better tailored to the individual and could be designed to take advantage of local opportunities and existing networks, and meet regional vacancy needs. DWP should, as standard, devolve all future employment support programmes to groups of local authorities. In line with the recommendation in our Disability employment gap Report, we suggest that these be based on the NHS integrated care system boundaries to allow better integration between mental health support and employment support.** (Paragraph 227)

*DWP should establish a system of devolved support that sits within a National Framework where DWP maintains oversight of programmes to ensure that delivery is of a high and consistent standard, that value is delivered to the taxpayer and that consistent performance data is published for each area. DWP must make sure that lessons learned are shared by regions that are already operating under a more devolved model as devolution is broadened and accelerated.* (Paragraph 228)

### Response

The department's employment support offer has several elements: a mixture of jobcentre support, national contracted provision and local contracted or grant-funded provision. The best delivery approach is decided on a programme-to-programme basis. Therefore, the department does not agree with the recommendation to automatically devolve all employment support to groups of local authorities in England and Wales, or other related recommendations.

The department employs a nationwide framework with local delivery for contracted employment support in England and Wales for people who access support from Jobcentre

Plus. This guarantees a consistent minimum provision for all citizens where the contracted employment programme applies (regardless of postcode), ensures value for money for the taxpayer and allows us to quickly adapt our offer to changing labour market conditions.

There are potential risks to devolving contracted employment support including managing the different capacity and capabilities of different local areas, maintaining value-for-money and reduced response time to a national emergency. In the recently announced 'Trailblazer' devolution deals with Greater Manchester and West Midlands Combined Authorities, DWP has committed to trialling a more devolved approach to contracted employment programmes, including co-design and delegated delivery (subject to readiness conditions) in order to understand and evaluate this approach further, including exploring avenues to mitigate these risks. The department believes this is the best way to determine if this can offer a positive difference in outcomes and value-for-money before we consider further rollout. DWP will retain overall responsibility and accountability for the public funds behind employment support programmes during this and future trials.

However, the department recognises the importance of local knowledge and familiarity when it comes to supporting claimants and residents. We are taking steps to ensure better integration and alignment of national and local services (including employment support, skills and health), funding and knowledge to help individuals across the nation reach their full potential, wherever they are. This includes working closely with DHSC, through the Joint Work and Health Directorate, to better integrate employment support with health services through programmes such as Employment Advisers in NHS Talking Therapies, as well as measures announced in the Spring Budget, such as the WorkWell Partnerships Programme. We have recently introduced Local Supported Employment (LSE) (in 23 Upper Tier Local Authorities) and Individual Placement and Support in Primary Care (IPSPC) (in 42 Upper Tier LA's), which is also part of the first phase of Universal Support. Both are DWP grant funded programmes delegating delivery responsibility to Local Authorities.

### **Conclusion and recommendation 35**

**The two-fold responsibilities of DWP to both provide employment support and administer benefits can deter people from seeking support and damage the trust that claimants have in support services. A more devolved model of support should be used to engender greater separation of employment support and benefit administration.** (Paragraph 229)

### **Response**

The department does not agree with the recommendation to separate employment support and benefit administration. The Department has a responsibility to manage welfare spend and conditionality is a key lever to do that. The department's wider position on devolved models is set out directly above.

### **Conclusion and recommendation 36**

**We welcome the recent publication of Restart statistics but there is more work to be done to if the Department is to provide transparent accountability across the range of DWP employment services. DWP lacks transparency around programme performance,**

making proper evaluation of schemes unfeasible. This makes it difficult to hold the Department to account or make detailed recommendations around its programmes. *DWP should release results for each of its employment programmes on a quarterly basis, as it does for the Work and Health Programme. This would allow external evaluation of the schemes which would help DWP make informed decisions about how to implement changes or continue successful practices. This data release should start no later than 1 January 2024.* (Paragraph 242)

### Response

DWP currently produces and publishes quarterly statistics for the Work and Health Programme, and 6-monthly statistics for the Restart Scheme. The department will continue to publish and develop future publications for its employment programmes in line with its statistical work plan, in order to provide accurate, objective information about the participation in and outcomes from these schemes. The latest Work and Health Programme statistics were published on 31 August 2023. The next release of published statistics for the Restart Scheme is planned for December 2023.

### Conclusion and recommendation 37

**DWP does not consistently set clear targets for its programmes or produce results against these targets. Where it has set targets previously, such as for Way to Work, these have been criticised as being inadequately defined and the results against these targets unsubstantiated. DWP should follow guidance from the Office for Statistics Regulation to establish targets and measure performance against these for all its programmes going forward.** (Paragraph 243)

### Response

For each new policy, DWP Ministers and officials agree aims and objectives, and determine how best to understand, measure, and monitor the delivery and performance of policy through management information, statistics, research and evaluation. Whether public targets are appropriate, and how best to monitor performance, vary on a case-by-case basis. DWP aims to release relevant information on its activities to help understanding of its policies and performance.

### Conclusion 38

**The Government's Plan for Jobs and DWP's response to the pandemic introduced a number of measures to support the recovery of the labour market and help people return to work. Although these initiatives have shown some success at helping people re-enter the labour market, they have not been able to reverse the significant increase in economic inactivity, particularly among young people, older people and people with disabilities or long-term health conditions. In this Report we have looked at how successful the Plan for Jobs and DWP's other employment support programmes have been at supporting people into work; we have proposed a number of measures to help combat economic inactivity among those groups experiencing higher levels of worklessness; and we have made recommendations about how DWP should aim to transform its approach to support.** (Paragraph 244)

The Government thanks the Committee for the report and inquiry on Plan for Jobs and employment support. The Plan for Jobs successfully supported people throughout the pandemic and our comprehensive employment support continues to help people start, stay and succeed in work.

The Government welcomes the report's focus on economic inactivity. The UK labour market remains robust and resilient, however it also remains tight. This is why at Spring Budget 2023 we announced a comprehensive package of cross-government measures targeted at increasing workforce participation and reducing economic inactivity. This includes investment to support disabled people and those with long-term health conditions, parents, over 50s, unemployed people and people on Universal Credit and working fewer than full-time hours.