

## **Extending labour market interventions to in-work claimants - call for ideas**

### *Background*

Universal Credit is the largest programme of welfare reform for a generation and it will transform the environment in which the Department's employment services operate. Universal Credit will be a seamless in and out of work benefit for the whole household. It will help ensure work always pays, making it easier and less risky for people to start and progress in work.

Universal Credit will be introduced in phases. Through the course of 2013 / 14 the new benefit will become available to unemployed jobseekers. DWP has a strong track record in working with the unemployed. The interventions regime that will operate under UC to support people into work is already developed.

Over time, however, there will be increasing numbers of UC claimants who are in work. Once fully rolled out we expect around 11 million individuals to be claiming UC of whom 5 million will be in employment. This is a radically different context in which DWP's employment services will operate. For the first time it will be possible for the Department to work with individuals to help them stay in employment and - where appropriate - support and encourage them to increase their earnings.

Universal Jobmatch, for example, is already transforming the way claimants access our services, with online job searching through DWP on a scale never seen before. The system can already be used by people in employment, to find a better job or more work and there is an exciting opportunity to develop this further. Automatic job matching means the system works 24/7 to find jobs that fit with people's skills set or supplement their existing employment so their CV is working for them even whilst they sleep, a revolution from the old way of noting down vacancies in newspapers, or coming into jobcentres and using "jobpoint" machines. Universal Jobmatch also provides information on individuals' job search activity, including their CV and application history. This enables us to segment different claimant groups, in work as much as out of work, identifying those who are highly self-motivated to find work, and those who are not. This, in turn, will revolutionise the way JCP interacts with claimants, with scope to move much more of our contact online especially valuable for those who are in work but we think could earn more.

### *Call for ideas*

This is a major opportunity but there is little evidence, nationally or internationally, as to what interventions will be most effective in improving sustainability of employment and earnings progression. DWP is committed to testing and piloting new approaches to build a firm evidence base before any national rollout. The Department has a number of ideas it is keen to explore further – for example, alerting people via text messages to job opportunities,

highlighting how much their income could increase; and providing online skills assessment tools, as well as more traditional face to face services.

However, in considering which approaches to take forward the Department wants to seek input from as wide a pool of expertise and advice as possible. DWP has therefore launched a call for ideas – seeking input and proposals that could form the basis of future pilots for interventions which can be used to help boost earnings.

We believe a wide range of individuals and organisations will be able to bring fresh insights and make valuable contributions – we are keen to hear from employers, behavioural economists, social psychologists, think tanks, welfare to work providers, academics, charities, application designers and those at the sharp end of delivering existing services.

Ideas should all seek to improve sustainability of employment and drive earnings progression amongst those who are in work – and outside the Department's back to work regime - but who could reasonably be expected to earn more (i.e. people who have the capacity to work more hours, after any caring responsibilities and ill health have been taken into account).

We will want ideas that are effective and offer value for money. We are also keen to develop proposals that would make innovative use of new technology. Key areas to consider are summarised below but we are also happy to consider more general comments and ideas.

**What ideas could we trial to best support people in work, in receipt of Universal Credit:**

- 1. to increase their earnings, where they could reasonably be expected to earn more?**
- 2. to develop their skills and qualifications?**
- 3. to take positive steps to achieve financial independence, both in the Tax Credit system and when Universal Credit is introduced?**

**And how could we trial ideas that would support employers:**

- 4. to promote training, development and progression opportunities for low paid employees who are claiming Universal Credit or tax credits, and have the potential to work more?**

The Minister for Employment and the Minister for Welfare Reform launched the call for ideas on 21 January 2013 at Policy Exchange. Their speeches can be found here:

[Lord Freud - Improving employment outcomes - DWP](#)

[Mark Hoban - Improving employment outcomes - DWP](#)

The call for ideas will run until **25 March 2013**.

Please submit ideas to this e-mail address:

[UC.NEWAPPROACHES@DWP.GSI.GOV.UK](mailto:UC.NEWAPPROACHES@DWP.GSI.GOV.UK)

This address can also be used to request further information from the team.

We plan to update this site with news and further information - so please return regularly.

Further information on Universal Credit can be found here:

<http://www.dwp.gov.uk/policy/welfare-reform/universal-credit/>