



The Work Programme: The First Year



Department
for Work &
Pensions



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Investing in jobs and skills

The Work Programme

Long-term unemployment is damaging to individuals and communities; it affects mental and physical health, and holds back economic growth. This Government's welfare reforms are focused on helping people off benefits and into work.

There are positive signs: near record numbers of people are in work, and numbers of people claiming the main out of work benefits have fallen by 190,000 since 2010. However, levels of long-term unemployment are still too high and there are too many households where no one has ever worked.

The Work Programme, launched in 2011, helps people who have been claiming out of work benefits for a long period, or who are at risk of falling into this group. These people are referred to a range of private, voluntary and public sector organisations, known as providers, many of whom are very experienced in dealing with long-term unemployment. Because they are specialists, these providers are best placed to give unemployed people the skills, training and experience they need to get a job.

Work Programme providers are paid primarily for results: they get the bulk of their payment when they get benefit claimants into employment and keep them there. This is in contrast to previous employment programmes where providers were paid significant payments upfront.

So far, more than half of the jobseekers who started on the Work Programme in June and July 2011 have spent some time off benefits. The industry trade organisation, the Employment Related Services Association (ERSA), reports that Work Programme participants have started in more than 200,000 jobs. Moreover, over 31,000 people have got into a job and stayed there long enough to get an "outcome payment" - that's normally when someone has been in work for six months, or three months for the very hardest-to-help.

A radical new scheme

The Work Programme has learnt from the experiences of previous schemes so it works better for the unemployed and provides better value for the taxpayer:

Comprehensive: Previous 'back-to-work' support was complicated; there were more than 20 different programmes for jobseekers, disabled people and people with health conditions. The Work Programme simplifies the support available by supporting both those who have claimed Jobseekers Allowance for a long period of time and those with long term health conditions who claim Employment Support Allowance. Other groups, including young people not in employment, education or training (NEET) are also able to access early support from the Work Programme.

We're working to make sure as many people as possible have access to the personalised support provided by the Work Programme- for example, we are now referring more people with health conditions. Work Programme make sure they receive the help they need. We're also working to prevent re-offending by making sure ex-offenders join the Work Programme on their first day out of prison.

Personalised support: The Work Programme caters for a lot of people, but it is designed to provide each individual with what they need. We don't tell organisations what to do with each participant. They're the experts and know what is needed for each individual, so we let them get on with it. This has resulted in some exciting new ideas. For example, one provider has invited ex-servicemen and women to provide motivational talks for jobseekers, and another has set up voluntary three-day residential sessions to build up the confidence and problem-solving skills of participants.

However, while providers are free to innovate, as part of their bid for Work Programme contracts they all set out minimum service standards which were agreed with the Department for Work and Pensions. These minimum service standards were published and must be made available to all participants when they join so that it is clear to everyone what they can expect from the Programme. Providers must deliver these standards and we carry out regular checks to ensure participants get what providers have promised to supply.

Clear incentives to get results: The work programme design has changed the incentives and rewards for providers. In previous programmes providers received a much larger proportion of their payments before they got participants into work. Work programme providers are paid the vast majority of payments for getting participants into work and keeping them there. In the early years of the Work Programme, providers only get a small fee when they start working with a jobseeker, and this payment decreases to nothing in later years of the contract. They are then paid a Job Outcome Payment when they help get the participant into 6 months of employment (or 3 months for harder-to-help groups), followed by Sustainment Payments for every 4 weeks they help to keep the participant in work after that.

Paying providers in this way means they have to genuinely help people into long term employment in order to get paid. Providers are incentivised to help jobseekers find sustainable long-term employment. This gives taxpayers better value for money and ensures participants get the help they really need.

In addition, we ensure that all participants are catered for by paying providers more for success with harder-to-help claimants, such as disabled people.

For the long-term: Many jobseekers will be a long way from walking into a job when they start on the programme and will need many months of support. That's why the programme is designed to support each person for up to two years - much longer than any previous programmes - with incentives for providers to continue supporting them even after they've found a job, in order to help them stay in it.

We want to give providers time to develop strong relationships with their participants and also with the employers they work with. As a result, initial provider contracts last five years, meaning that the Work Programme is a long-term programme which at the moment has only reached the end of its first year of running.

Competitive: We believe competition between providers delivering the Work Programme will help produce better results. We've divided the country into eighteen different areas, and there are at least two providers running the Programme in each area. Most of these providers have their own agreements with a number of other organisations which they use as sub-contractors, who can be used to provide specialist or external forms of employment support.

From next summer, if one provider is performing significantly better than the others in the area, and certain other conditions are fulfilled, instead of sending equal numbers of jobseekers to each main provider, we have the power to refer more participants to the better-performing provider in the area and to refer more participants to those providers delivering better results. This means that not only will providers who aren't helping people into work not get paid as they aren't producing results, they will also find that they receive fewer participants. This means that, over time, the best performing providers get the most participants to work with.

Voluntary sector: This is the largest welfare-to-work scheme involving the voluntary sector. More than 300 charities and other voluntary organisations are involved in the scheme, with more joining than leaving in the first half of 2012. Many of these organisations are experts in their specialist field and can use their roles as providers or sub-contractors to ensure harder-to-help participants are given the best support possible, so they have the greatest chance of getting into work.

Confidence boost for Hounslow jobseeker Chris

A volunteering programme run by the charity, and Work Programme provider, CDG is helping to give jobseekers with multiple barriers to work the extra support they need to land a job.

One of the people to benefit from the CDG Volunteers programme is Chris Allen, of Hounslow, who had virtually no self confidence before taking part.

Chris was referred to the Work Programme by his Jobcentre adviser after a long period of unemployment. Chris's advisor recognised that he was struggling to find work due to serious nervousness in interviews and around other people.

Chris said: "Before I came to CDG my confidence was at rock bottom and I was really nervous during interviews. I used to try to help myself by listening to motivating music and that sort of thing before I got to interviews, but it didn't work."

Chris was introduced to a CDG volunteer coach, who helped him with his career development. Chris was supported to gain skills that would help him become more confident and aid his performance at interviews.

Chris said: "I took part in courses on interview techniques, motivation, confidence, and even phone call training to help me to ask for work, because I didn't like calling people."

"I worked with a volunteer called Emmanuelle before interviews. She was friendly, helpful and gave me advice to prepare for the role. Her help, alongside the other work I was doing, meant that my confidence shot right up."

Thanks to the support of CDG and the Work Programme, Chris's efforts paid off and he secured a job at a national cinema chain.

"I have always been nervous, and I used to keep to myself during interviews, but this time I actually spoke to people," said Chris. "It worked."

The story so far – participants are moving off benefit and into work

It's early days, but already more than half of people who joined the Work Programme in the first few months have spent some time off benefit. Nearly 1 in 3 (30%) of those who joined the Work Programme in June 2011 have spent 13 continuous weeks off benefit, and 1 in 5 (19%) have spent 26 continuous weeks off benefit.

There are also positive signs on the jobs front. ERSA, the industry trade organisation, has released data on job entries which show that so far more than 200,000 jobs have been started by participants on the Work Programme. This shows the programme is getting people into jobs. Of those starting the Programme in June 2011, 29% had entered a job by October 2012. This shows the programme is getting people into jobs.

Providers are only paid Job Outcome Payments after they have helped someone into work for several months (usually six months but for some harder-to-help jobseekers it can be three months). The statistics released in November show that as of July 2012, organisations had received 31,000 of these outcome payments. That's 31,000 people who have come off benefits, got a job and stayed in work for at least three or six months.

We know lots of people have moved off benefits for 26 weeks, but not all of these people have achieved a job outcome. Some of these people may not have moved into work, while others may be in work, but not have spent enough time there yet to achieve a job outcome. We also have strict controls in place against fraud and error, which increase the length of time it takes to claim and process payments.

After the payment at three or six months, we pay organisations Sustainment Payments for every following four weeks the person remains in employment. This encourages providers to stay in touch with the individual and provide extra support to make sure they stay in work. As of July 2012, 58,000 of these payments have been claimed, for 20,000 participants – although given it's so early in the programme we wouldn't expect many of these outcomes to be registered yet.

Under the Work Programme taxpayers are getting a far better deal than with previous schemes. Data published by industry body ERSA shows that the Flexible New Deal cost nearly £7,500 per job, while the Work Programme has cost just over £2,000 per job started so far.

The Work Programme is a long-term programme and is helping some of the hardest-to-help benefit claimants, many of whom were ignored by previous schemes. Organisations work with participants for two years in order to give them the support they need to find work, and then stay in work. Since most people haven't even been on the scheme for a year yet it's too early to judge success.

‘I would highly recommend this support’

Before joining the Work Programme Andrew Collins was unemployed and receiving incapacity benefit because of mental health issues. Andrew was recently successful in finding a job at Cedars Nursing Home thanks to the intense support he received through the programme.

Andrew, who also suffered periods of homelessness, was referred to Maximus Southampton. With their help and long term support Andrew was able to secure a job in care work with the elderly – an area he had expressed a particular interest in working in.

Andrew said; “This is a role I was hoping to find - not just the first job out there.”

Andrew, who faced multiple barriers to work such as homelessness, depression and anxiety says Maximus gave him the support he needed to get back into employment, and to stay there.

He said; “Their goal was to help me find sustained work within a position that most suited me. Maximus offered me a lot of varied support from courses on how to find work, interview technique, confidence & motivation and financial support for getting to interviews.

“The additional advantage was the offer of in work support once employment had been found.”

“The staff have been very understanding of my situation and have given all the support they can. For someone with depression, their



Andrew Collins

enthusiasm, and congratulations when things worked out, was immensely helpful. With their support I was able to overcome the difficulties depression presents in searching for and obtaining work.”

“Knowing that I still have the full support of the staff, even after this success, is a great safety net and gives me the confidence that I will be able sustain this job.”

The support of the Work programme meant Andrew was able to get off benefits, and overcome the multiple barriers he had faced in getting back into work.

He said; “Overall I couldn’t be more pleased with my experience. I would highly recommended any one in similar other positions to access this support.”

What now?

Already, tens of thousands of people are coming off benefits and getting into work; but there is always more to do.

Improving performance

Some providers are performing much better than others, and we're aware of this. We are continuously monitoring provider performance, and are requiring providers to improve their performance. For those providers who fail to improve, the Department for Work and Pensions will take action under the contracts; such action could ultimately lead to contract termination.

Improving partnership

We are also taking steps to make the programme better. We are going to look at what can be done to get national employers better engaged with the programme; improve access to skills support for participants; enable better sharing of best practice between providers and across their supply chains; build understanding and expertise in supporting harder to help claimants; and improve data transparency.

It's still early days for the Work Programme, but there are encouraging signs showing it can make a real difference in helping long-term unemployed people back into work.

Birmingham employer takes on 16 jobseekers

Twenty-two year old Paul Wyatt was one of 16 jobseekers who were helped to start a new career in the automotive industry after participating in the Work Programme.

All 16 were supported by Intraining, a company that provides training and advice to help people on the Work Programme find jobs.

Paul, who had already been unemployed for a year, said that his eventual job success was all due to the support he received through the Work Programme.

He said: “I know that had it not been for the help and advice of my Intraining adviser Karine I wouldn’t have got the job. She helped me to develop my CV and worked with me on my interview techniques. It definitely paid off. It’s great to finally have a permanent job.”

And it’s not only unemployed people who benefit from the scheme, NAC - the company that hired the 16 jobseekers - have also benefited.

By working with Intraining, and employing people who were participating in the Work Programme, NAC were able to take advantage of the Government’s wage incentive scheme.



L-R Matthew Baxter (Work Programme participant), Russell Salsbury (Recruitment Officer, NAC), Paul Robson (Managing Director, NAC), Michael Shier (Employer Engagement Consultant, Intraining), Paul Wyatt (Work Programme participant)

Under the scheme employers receive up to £2,275 for every eligible 18-24 year old year old recruited.

Russell Salsbury, Recruitment Officer at NAC, said: “We are committed to the Work Programme and helping the unemployed to gain skills and find jobs. Our partnership with Intraining enables us to do this.”

More information

For more about the Work Programme: www.dwp.gov.uk/work-programme

Statistics: <http://statistics.dwp.gov.uk/asd/index.php?page=wp>

You can also find out more in-depth information by using the Tab Tools on this website.

For more about DWP: www.dwp.gov.uk



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