

## **EXPLANATORY MEMORANDUM TO**

### **The Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations (Northern Ireland) 2014**

**S.R. 2014 No. 150**

#### **1. Introduction**

- 1.1 This Explanatory Memorandum has been prepared by the Department for Social Development to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2 The Statutory Rule is made under powers conferred by the Jobseekers (Northern Ireland) Order 1995 and is subject to the negative resolution procedure.
- 1.3 The rule is due to come into operation on 2 June 2014.

#### **2. Purpose**

- 2.1 This rule provides the legal framework for Jobseeker's Allowance claimants' participation in the employment scheme "Steps 2 Success".
- 2.2 The rule details:
  - Selection for participation in the scheme covered by the Regulations and what must be contained in a notice given to a claimant selected to take part in such a scheme;
  - Circumstances in which a requirement to take part in a scheme is suspended or ceases to apply;
  - Circumstances in which participants on the scheme will not be required to comply with the jobseeking conditions (to be available for work and actively seek work) while they are on the scheme;
  - Consequential amendments required as a result of these Regulations;
  - Provision for contracting out certain functions of the Department in relation to the schemes.

#### **3. Background**

- 3.1 The Department for Employment and Learning has responsibility for the development of adult return to work provision across Northern Ireland. The current programme, Steps to Work (StW), was introduced in 2008 to replace the main New Deal programmes in Northern Ireland. The existing StW contracts are due to end in 2014.
- 3.2 While StW has had a positive impact, the current economic climate, the significant rise in unemployment and high levels of economic inactivity

have established the need for a step change in the delivery of employment services, particularly to focus even more on positive outcomes.

- 3.3 An extensive development process was undertaken by the Department for Employment and Learning, taking account of the lessons learnt from the evaluation of StW, developments in employment provision in Great Britain and further afield, and the economic conditions in Northern Ireland and elsewhere to inform the design of Steps 2 Success.
- 3.4 Steps 2 Success will aim to improve the performance of the Department for Employment and Learning's employment programmes, specifically clients in the Jobseeker's Allowance or Employment and Support Allowance Work Related Activity groups.
- 3.5 Steps 2 Success will provide a longer, more individualised and much less prescriptive programme of support and assistance than that available under the previous StW programme. It will be delivered by Contracted Providers and their wide ranging supply chain to provide the help that claimants need to enable them to move into and sustain employment.
- 3.6 This will be achieved by;
  - introducing a stronger emphasis on 'payments by results' for Contracted Providers;
  - removing the prescriptive elements of the previous programme;
  - allowing Contracted Providers to 'do what works' for individual clients; and
  - significantly increasing the period of time that claimants can receive specialised help and support from Contracted Providers and their Supply chain.
- 3.7 The mandatory entry points to Steps 2 Success will be:
  - at 9 months on Jobseeker's Allowance for clients aged 18 to 24 years;
  - at 12 months on Jobseeker's Allowance for clients aged 25 and over;
  - when an Employment Service Adviser considers that a referral to Steps 2 Success is the appropriate route for an Employment and Support Allowance claimant who has been placed in the Work Related Activity Group following a Work Capability Assessment.
- 3.8 Early entry to Steps 2 Success will also be available for claimants who have significant barriers that are preventing them for finding work. Early entry will be considered:
  - for ex-offenders on release from prison;
  - after 13 weeks on Jobseeker's Allowance where the Employment Service Adviser is persuaded that a claimant has significant barriers to work that cannot be addressed by the Employment Service Customer Offer; or

- after 6 months on Jobseeker’s Allowance for claimants aged 25 and over who, despite no apparent barrier, have failed to find work and wish to access Steps 2 Success Contracted Provider support.
- 3.9 Additionally, Income Support claimants such as lone parents with a child under 7, carers and claimants in the Employment and Support Allowance Support Group can join Steps 2 Success on a voluntary basis.
- 3.10 The benefits regime combines rights with responsibilities. The basic principle of welfare is “something for something”. In return for benefit payments and extra support in finding work, claimants are expected to do their best to get and keep a job. It remains the aim to encourage those claiming Jobseeker’s Allowance or Employment and Support Allowance to take full advantage of the help they are offered to prepare for or return to work. Where someone deliberately refuses such help and support or loses a job then sanction by way of loss of benefit is considered an effective mechanism to encourage future compliance.
- 3.11 The existing structure of sanctions for current employment programmes will continue to apply to Steps 2 Success. A sanction will apply if a person, without good cause:-
- neglects to avail themselves of a place;
  - refuses or fails to apply for a place offered to them;
  - gives up a place;
  - fails to attend a place offered to them, including initial interviews, or
  - loses a place through misconduct.
- 3.12 The level of sanction imposed will escalate with each successive failure, and will work as follows: 2 weeks loss of benefit for the first failure to participate, 4 weeks loss of benefit for the second failure to participate no more than 12 months after the first, and 26 weeks loss of benefit for a third – and any subsequent failure to participate within 12 months of a previous failure determination.
- 3.13 Customers always retain the opportunity to re-engage with the required activity at any time. If they do so during a 26 week sanction, that sanction will be shortened (provided a minimum of four weeks has been served) and benefit payments will resume.
- 3.14 The current provisions for access to Jobseeker’s Allowance Hardship payments for those receiving a sanction in respect of Steps 2 Success will continue to apply.

#### **4. Consultation**

- 4.1 The Social Security Advisory Committee discussed the corresponding Great Britain regulations at their meeting on 6 March 2013 and the Northern Ireland regulations on 7 May 2014 and agreed that they did not require them to be formally referred.

## **5. Equality Impact**

- 5.1 In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department for Employment and Learning conducted an Equality Impact screening exercise on the planned introduction of Steps 2 Success which concluded that the proposals do not have any impact on equality of opportunity. Steps 2 Success will deliver support and guidance tailored to individuals' needs and circumstances on a fair and equitable basis and will apply to all claimants regardless of religious belief, political opinion, race, sexual orientation, gender or disability.

## **6. Regulatory Impact**

- 6.1 These Regulations do not require a Regulatory Impact Assessment as they do not impose any additional costs or savings on business, charities or voluntary bodies.

## **7. Financial Implications**

- 7.1 No financial implications

## **8. Section 24 of the Northern Ireland Act 1998**

- 8.1 The Department has also considered its obligations under section 24 of the Northern Ireland Act 1998. It is the Department's judgement that the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations (Northern Ireland) 2014 are not incompatible with the Convention rights, are not incompatible with Community law, do not discriminate against any person or class of person on the ground of religious belief or political opinion and do not modify an enactment in breach of section 7 of the Northern Ireland Act 1998.

## **9. E.U. Implications**

- 9.1 Not applicable.

## **10. Parity or Replicatory Measure**

- 10.1 The Regulations mirror the Great Britain Regulations which came into force on 12th February 2013.

## **11. Additional Information**

- 11.1 Not applicable