EXPLANATORY MEMORANDUM TO

THE JOBSEEKER'S ALLOWANCE (SUPERVISED JOBSEARCH PILOT SCHEME) REGULATIONS 2014

2014 No.

1. This explanatory memorandum has been prepared by Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

- 2.1 The Department is piloting the Supervised Jobsearch Pilots scheme ("the pilots") following the Secretary of State's announcement in October 2013. The pilots will mandate claimants to attend full-time provision whereby they will receive support and supervision to look for work and improve their jobsearching and application skills to assist their return to work. There will be a full evaluation of the pilots.
- 2.2 These Regulations will provide the Secretary of State with the power to select and mandate claimants to participate in the pilot scheme for a period of up to 13 weeks. The Regulations also set out the information that must be provided to claimants participating in the scheme, the circumstances in which the requirement to participate ceases or is suspended and also makes provision for contracting out certain functions of the Secretary of State under the Regulations.
- 2.3 The end date for the Regulations is 30 April 2015.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None

4. Legislative Context

- 4.1 In October 2013 the Secretary of State for the Department of Work and Pensions announced his intention to run pilots testing full-time supervised jobsearch.
- 4.2 There will be a full evaluation of the pilots to understand the effects on work-related behaviour and readiness for work; benefit receipt and employment outcomes; and delivery models, delivery challenges and examples of best practice. These regulations enable these pilots to be conducted and provide the Secretary of State with the power to prescribe the scheme and require claimants to participate in the scheme ¹.

5. Territorial Extent and Application

5.1 This instrument applies to England.

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¹ http://www.legislation.gov.uk/ukpga/1995/18/contents

6. European Convention on Human Rights

The Minister for Employment has made the following statement regarding Human Rights:

"In my view the provisions of 'The Jobseeker's Allowance (Supervised Jobsearch Pilot Scheme) Regulations 2014' are compatible with the Convention rights."

7. Policy background

• What is being done and why

- 7.1 The Supervised Jobsearch Pilots were announced by the Secretary of State at the Conservative party conference in October 2013. These were announced as part of the wider Help to Work package, which targets claimants who have completed the Work Programme and are among the hardest to help. However, the scope of these pilots also covers pre-Work Programme claimants who are not taking sufficiently effective steps to secure employment.
- 7.2 The Government's labour market strategy is to ensure that our interventions are evidence based and offer value for money. These pilots will allow us to explore whether full time supervision of job search is an effective way of moving some of our hardest to help claimants into work, and will enable us to make effective policy decisions based on the outcomes.
- 7.3 These regulations are required as currently the Department does not have the power to run the scheme as defined below.
- 7.4 The Supervised Jobsearch Pilots will consist of two JSA groups. The pre-Work Programme pilot is aimed at those claimants who in the Department's view would benefit from regular jobsearch support and supervision, who are not taking sufficiently effective steps to secure employment.
- 7.5 The post-Work Programme pilot will connect with claimants who have not engaged with the benefits regime and who remain on benefit after 6 months of post-Work Programme support from Jobcentre Plus.
- 7.6 The pilots will be provider-led. Providers will explore claimants' job goals, ensuring that claimants can effectively jobsearch, and raise awareness of what employers require from candidates, such as targeted CVs and applications.
- 7.7 Through claimants attending on a full-time basis we hope that the pilots will also develop and improve behaviours required for working life, such as punctuality, engagement with others, and routine.
- 7.8 We are aiming to launch the pilots in autumn 2014 and these will consist of two JSA groups: 3,000 pre-Work Programme claimants and 3,000 post-Work Programme claimants, alongside a further two groups of 3,000 claimants acting as control groups, receiving the normal Jobcentre Plus Offer.

- 7.9 The pilot regulations will give powers for claimants to be mandated to attend and participate in the pilots. Any failure to attend or participate will invoke a lower level sanction² (four or thirteen weeks) unless good reason can be applied.
- 7.10 Additionally, providers will be given certain Employment Officer functions by designated authority for them to mandate claimants to: apply for vacancies, attend job interviews and accept a job offer. If claimants do not take these actions for vacancies the provider has mandated them to without good reason a higher level sanction (sanctions ranging from three months to three years) will be applied. This is line with how Jobcentre Plus operates, whereby work coaches have the power to mandate claimants to vacancies where they are appropriate to the claimant's circumstances.

• Consolidation

7.11 As this is a new time limited and free standing statutory instrument, the issue of consolidation doesn't apply.

8. Consultation outcome

- 8.1 This is a pilot and therefore it is not appropriate to consult at this stage. However, depending on the outcome of the pilot, we would consult before any national rollout.
- 8.2 Due to these regulations, consequential amendments must be made to Housing Renewal Grants Regulations 1996³ and the Housing Benefit Regulations 2006⁴ in order that claimants are not penalised for expenses received as a result of attending the pilots. A letter was sent to all Local Government Associations in England concerning the amendments made to Housing Benefit Regulations, and all agreed that formal consultation was not required.
- 8.3 Although there has been no formal consultation for the reasons above, we have informed the design model of the pilots through running a small-scale test bed at Wolverhampton Jobcentre, whereby Work Programme completers were mandated to attend for two hours a day for a period two weeks (re-referral was available for claimants requiring more than two weeks support).
- 8.4 Although the test bed was a different model to the full-scale pilots (which involves full-time attendance for three months), it has provided some useful feedback on how to deliver this type of support. As a result of the lessons learnt from the test bed, we are incorporating the following elements into the Pilot's design:
 - basic IT training to address issues where claimants had to be exited from the test bed due to their IT ability;
 - ensuring that providers offer an induction session, setting our clear expectations and assessing an individual's jobsearch ability;
 - asking providers to supply a mixture of activities tailored to raise jobsearching skills, for example through providing group sessions. This will help to retain claimants concentration and engagement; and
 - highlighting the need for job applications to be of quality rather than quantity.

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² Please see section 19A of the Jobseekers Act 1995 http://www.legislation.gov.uk/ukpga/1995/18/section/19

³ http://www.legislation.gov.uk/uksi/1996/2890/contents/made

⁴ http://www.legislation.gov.uk/uksi/2006/213/contents/made

9. Guidance

- 9.1 Learning and Development awareness products will be delivered prior to the projected go-live date. The relevant Districts have appointed a nominated Single Point of Contact within DWP prior to go-live who will be responsible for working with their District, their linked Decision Making team and provider to provide advice on various processes associated with the provision, such as absences, Decision Making and Appeals activity, referrals and exits.
- 9.2 The products and guidance to support the Supervised Jobsearch Pilots will be available from mid-September ahead of go-live scheduled for 6 October 2014. This will include an awareness pack which will specify the referral criteria and process.
- 9.3 A referral letter will be issued to chosen claimants by Jobcentre Plus, which will give the claimant notice that they are required to participate, the details of their initial interview with the provider, a description of the scheme, commencement/ end dates, and consequences of failing to attend or participate. This will be followed by an engagement letter to be issued by the provider within 4 working days of the initial interview. This will outline more detailed requirements of the programme, together with the consequences of failing to participate.

10. Impact

- 10.1 There is no impact on business or civil society organisations.
- 10.2 As this is a pilot, there is no impact on the public sector.
- 10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

The legislation does not apply to small business.

12. Monitoring & review

- 12.1 The pilots will be fully evaluated. The objectives of the evaluation will be:
 - to measure the impact of the Supervised Jobsearch on claimants' work related behaviour and readiness for work;
 - to measure the impact of the Supervised Jobsearch on benefit receipt; and employment outcomes for claimants.
 - to explore the delivery challenges and examples of best practice
 - to inform the design of any national rollout of the policy
- 12.2 Full evaluation of the Supervised Jobsearch Pilots will take place through analysis of internal management information and administrative data supplemented by research with providers, customers and JCP staff in order to gather feedback on the delivery of the support, the customer experience and the impact on intermediate outcomes such as jobsearch skills and attitudes to employment.

13. Contact

Jasmine Grieve at the Department for Work and Pensions Tel: 0207 449 5621 or email: jasmine.grieve@dwp.gsi.gov.uk can answer any queries regarding the instrument.