



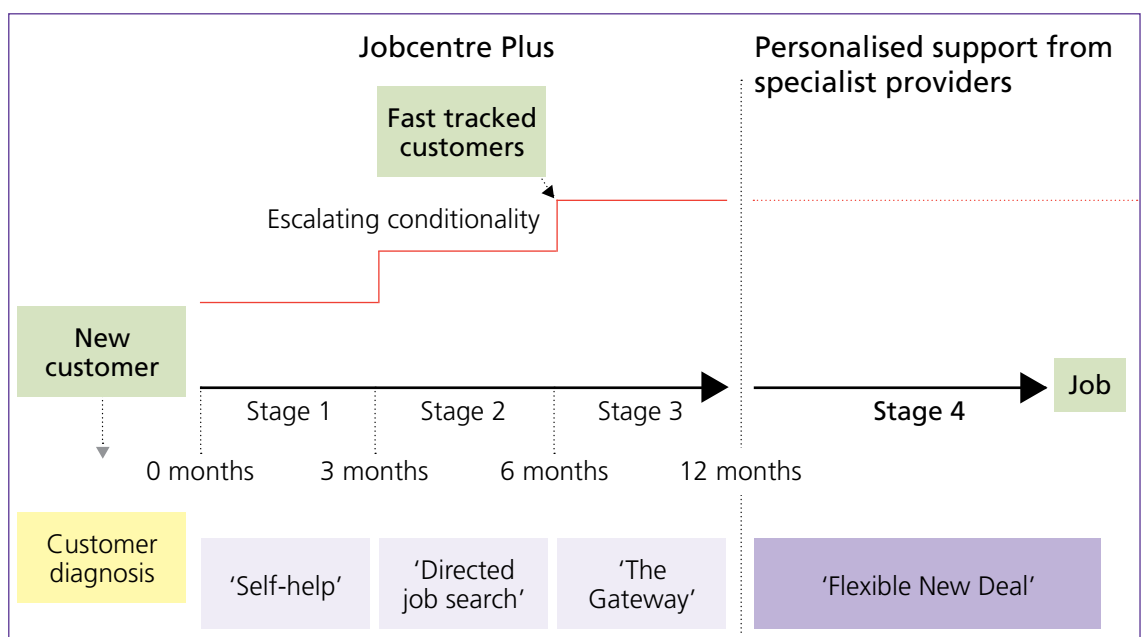
Annex

A flexible New Deal



## Annex – A flexible New Deal

1. We propose a strengthening of the requirements for those claiming Jobseeker's Allowance (JSA) and the introduction of a new, flexible New Deal for all job seekers. This would replace the current, separate New Deals for young people and unemployed adults. The effect of this would be to provide increasing levels of support and require corresponding effort on the customer's part as the duration of the claim for JSA increased. There would be four stages to the increase in support and mandatory activity.



2. When someone looking for work seeks to enter the benefits system, whether for the first time or not, the personal adviser would straight away – at the same time as the interview for the benefit claim – look at the customer's barriers to finding a job. This assessment would be the very **first stage** of the new regime.
3. This would help the personal adviser to understand whether a customer needs immediate help to support them in getting a job or moving into self-employment and would inform their path through the JSA scheme. We envisage that those identified at the start of the claim with a significant gap in their basic or employability skills would be referred for a 'skills health check'. This is in line with the Leitch review recommendations that there should be a more integrated employment and skills service for people seeking work (see Chapter four). All job seekers would then be signposted to the help and advice on offer to support them in getting and progressing in a job.
4. Although the Leitch review of skills only looked at England, we would want to see similar provision throughout Great Britain, subject to discussions with the Scottish Executive and the Welsh Assembly Government.

5. From then on the customer would be guided through the regime step-by-step, in a way that offered more support to those who need it and asked each person to respond individually to the mutual rights and responsibilities that benefit receipt must entail.
6. The first three months of a claim would be based on the current JSA scheme. Most customers leave JSA quickly – around 60 per cent leave within 13 weeks. These customers need little more than signposting and ready access to job vacancies, reinforced by fortnightly meetings to review and test their job search as under the current system, in order to find work themselves. We will also consider using group sessions at around week six of a claim to reinforce the ‘work first’ principle. These would set out the customer’s rights and responsibilities and what is expected of them.

## Stage 2

7. After three months, if the claim continued, the customer would, as now, have a formal review of their Jobseeker’s Agreement to see what more should be expected from them to help them return to work quickly and all customers would be submitted to vacancies. This will be followed by a series of more frequent interviews. Job seekers would also be expected to extend their jobsearch based on travel to work, wage and working hours rather than by preferred employment or occupation.

## Stage 3

8. After six months on JSA, customers would enter the Gateway stage, building on the current New Deal Gateways. This would involve a formal review with a personal adviser who would draw up a back-to-work action plan selecting from a menu of activities aimed at improving employability and job chances. Each customer would be expected to agree to and complete a number of such activities. Each of the agreed activities would be mandatory, thus balancing the increased employment support with the increased responsibility to make best use of that support.
9. We envisage that in England there would be a further opportunity to refer the customer to a skills health check and, if appropriate, to training funded by the Learning and Skills Council. In Scotland and Wales, the question of ongoing referral to the all-age Careers Services and appropriate provision will be subject to discussion and agreement with the Scottish Executive and the Welsh Assembly Government.

10. Customers with, for instance, a history of reliance on benefits or those facing particular barriers or disadvantage could be referred earlier to the more intensive support available during the Gateway stage. We believe that this would have advantages for the customer and for those providing the back-to-work support. Customers' skills needs could also be taken into account when determining whether they should be fast-tracked to the Gateway. Those with literacy, numeracy or language needs would be actively encouraged to take part in suitable training.

## Stage 4

11. After 12 months undertaking solely Jobcentre Plus work related activity, the customer would be required to join specialist return-to-work provision through the public, private or third sectors. This would be made up of intensive and personalised support to meet the needs of the most disadvantaged.
12. The specific package of support would be for the provider to agree with the customer based around a minimum level of prescription as in the current Employment Zones. This would include a minimum of fortnightly contact with the customer; an initial, in-depth assessment of employment-related needs; and the production of a challenging personal action plan. Participation and compliance with the action plan would be mandatory.
13. We have made it clear since the start of our New Deals that we should expect those who can work to take advantage of the help available and in turn we accept that we should provide support for those unable to work. Given the commitment we are now prepared to make to providing greater levels of support through the flexible New Deal, we think it right that we should continue to expect job seekers to take up suitable employment or help to increase their job chances.
14. To ensure that everyone is guaranteed a minimum level of help, we plan to build into the flexible New Deal an underpinning requirement to participate in full-time activity, such as work experience or work in the community. This would refresh and reinforce work habits and disciplines. Providers will therefore be required to ensure that every claimant who fails to find work earlier in Stage 4 will be mandated to participate in a period of full-time activity.
15. We envisage that the few claimants who fail to find work after 12 months with the specialist provider would return to Jobcentre Plus, and be fast-tracked to the Gateway stage.

16. Throughout this new, flexible regime, the offer of increased help would be balanced with the responsibility on individuals to make the best use of that support or face a loss of benefit. This is an important part of the current mandatory New Deals and would continue to be a feature of the flexible New Deal. Jobcentre Plus would remain responsible for making decisions about benefit sanctions and applying them. Customers would retain all the rights of reconsideration and of appeal to an independent tribunal that exist now.



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