

Skills Conditionality – public consultation

December 2010

Contents

- Introduction..... 5
 - About this consultation 5
 - Who this consultation is aimed at 5
 - Purpose of the consultation 5
 - Scope of consultation 5
 - Duration of the consultation 6
 - How to respond to this consultation 6
 - Queries about the content of this document 6
- Skills Conditionality..... 7
 - Skills Conditionality: Jobcentre Plus Referrals 9
 - Our proposal is set out below 9
 - Skills Conditionality: Work Programme Referrals..... 11
 - Impact on Jobcentre Plus claimants 14
 - Consultation question: 15
 - JSA Skills Conditionality pilots 15
 - Cost and Benefit 16
 - Impact Assessments 16
 - Equality Impact Assessment 16
- Annex 1 18
 - How we consult..... 18
 - Freedom of information 18
 - The consultation criteria 18
 - Feedback on the consultation process 19
- Annex 2 20
 - Skills Conditionality: Equality Impact Assessment 20
 - Gender 21
 - Ethnicity..... 22
 - Disability 24
 - Age 26
 - Religion/faith..... 28
 - Sexual orientation..... 28

Consultation – Skills Conditionality

Human rights 28

Child Poverty 28

Rural..... 28

Introduction

1. This consultation, conducted by the Department for Work and Pensions (DWP) and the Department for Business, Innovation and Skills (BIS), seeks views to inform the implementation of Skills Conditionality. Skills conditionality involves Jobcentre Plus referring claimants to a skills training provider, further education college or Next Step adviser with potential benefit sanctions for non-participation. The training will include vocational, basic skills, employability training as well as support with softer skills such as motivation and confidence building. The main aim behind this policy is to ensure that those Jobseeker's Allowance (JSA) and Employment and Support Allowance – Work Related Activity Group (ESA-WRAG) claimants who have a skills need that is preventing them from getting and keeping a job take the necessary steps to address that need as part of their journey back to work.

About this consultation

Who this consultation is aimed at

2. We would like to hear from all who are interested and in particular welcome contributions from claimants, claimant representative organisations, Jobcentre Plus staff, employers, training providers, colleges, Next Step prime and sub contractors, Departmental stakeholders, Devolved Administrations, Local Authorities, Welfare to Work Providers and other national bodies with an interest in skills, including the voluntary sector and local partnerships.

Purpose of the consultation

3. The proposed policy will require legislative changes. The purpose of this consultation is to seek views on the implementation of skills conditionality that will make it fair, consistent and as administratively straightforward as possible.

Scope of consultation

4. This consultation applies to England, Scotland and Wales. Ministers have decided to roll out skills conditionality in England for both JSA and ESA (WRAG) claimants from August 2011 but wish to consult on the process of implementing skills conditionality. Skills is a devolved policy, meaning that the responsibility for skills training lies with the Welsh Assembly Government and the Scottish Government in their respective areas. The Department for Work and Pensions is still in discussion with the Devolved Administrations on the feasibility of introducing skills conditionality in Scotland and Wales. However, we welcome feedback from stakeholders in Scotland and Wales on the proposals set out in this document.

Duration of the consultation

5. The consultation period for this consultation begins on **9 December 2010** and runs until **3 February 2011**.

How to respond to this consultation

6. Please send your consultation responses to:

Partnerships Division

2nd Floor, Caxton House, Tothill Street

London, SW1H 9NA

Fax 0207 340 4340

Email skills.conditionality@dwp.gsi.gov.uk

7. Please ensure your response reaches us by 3 February 2011. If responding by email (which we would prefer) there is no need to also send a hard copy. We will acknowledge receipt of all responses.
8. When responding, please state whether you are doing so as an individual or representing the views of an organisation. If you are responding on behalf of an organisation, please make it clear who the organisation represents, and where applicable, how the views of members were assembled.
9. We have brought this consultation document to the attention of a large number of people and organisations who have already been involved in this work or who have expressed an interest. Please do share this document with, or tell us about, anyone you think will want to be involved in this consultation.
10. Consultation responses will be shared with the Devolved Administrations for Scotland and Wales as appropriate.

Queries about the content of this document

11. Please direct any queries about the subject matter of this consultation to:

Partnerships Division

2nd Floor, Caxton House, Tothill Street

London, SW1H 9NA

Phone 0207 449 5491

Fax 0207 340 4340

Email skills.conditionality@dwp.gsi.gov.uk

Skills Conditionality

12. The Government is committed to ensuring that individuals who are able to look for work or prepare for work, should be required to do so as a condition of receiving benefit, and those who fail to meet their responsibilities, without good cause, should face a sanction in the form of loss of benefit. It is essential that the support offered to benefit claimants is underpinned by clear expectations about what they need to do in return for the support they receive.
13. The current conditionality regime requires jobseekers to be actively seeking and available for work. '[Universal Credit: welfare that works](#)¹' sets out the intention to give Jobcentre Plus advisers the flexibility to target stronger conditionality on some jobseekers where they think it is necessary to help them move into work. Evidence on take-up of current skills interventions for unemployed people shows that drop-out between referral from the Jobcentre and attending an initial provider interview or starting on the course is high. Some unemployed people also drop out of their training courses because they have started employment or for other legitimate reasons.
14. Both DWP and BIS funded skills provision will be in scope. In England, skills provision that will attract full funding from the state (and which Jobcentre Plus will be able to mandate claimants to) will include basic skills provision for those aged 19 and over; and first full Level 2 and 3 qualifications for those aged 19 up to 24. In addition, JSA and ESA WRAG claimants aged 19 and over will also be eligible for fully funded units, awards and qualifications that will help address any skills needs keeping them from getting and keeping work. Local authorities in England have a statutory responsibility to secure suitable education and training to meet the needs of all 16 - 18 year olds in their area, including more tailored provision for those who are not in education, employment or training.
15. More detail on the Government's proposals on skills can be found in [Skills for Sustainable Growth](#).
16. Skills conditionality involves Jobcentre Plus referring claimants aged 16 and over to skills support with potential benefit sanctions for non-participation. For those aged 19 and over this will be at the Next Step careers service (or the new all-age service that will replace it from April 2012), training providers or colleges. Claimants in receipt of Jobseekers Allowance (JSA) or those in the Employment and Support Allowance Work-Related Activity Group (ESA WRAG) will have any potential skills needs identified at the Jobcentre. Following discussion at a mandatory interview with a training provider they may then be referred to training provision. Attendance will be mandatory and failure to attend without a good reason could lead to a sanction and loss of benefit.

¹ 'Universal credit: welfare that works' Cm 7957 DWP November 2010

Consultation – Skills Conditionality

17. In Scotland a range of skills interventions ranging from community learning through to higher education for those aged 16 or over is funded through local authorities, the European Social Fund, Skills Development Scotland and the Scottish Funding Council.
18. In Wales, the Welsh Assembly Government is responsible for planning the delivery of a range of post 16 skills and learning interventions
19. From April 2011, the Work Programme² will be rolled out to provide more personalised back-to-work support for long-term unemployed people and for those with more significant barriers to employment.
20. The entry points to the Work Programme are from nine months for Jobseekers Allowance claimants aged 18-24 and from 12 months for those Jobseekers Allowance claimants who are aged 25 and over. Entry points may be earlier for some claimants. Income related ESA claimants in the work related activity group will also be referred to the Work Programme when they are expected to be work ready within three months. All ESA claimants will be able to volunteer to the Work Programme at any time after their Work Capability Assessment. Full details of Work Programme claimant groups can be found at <http://www.dwp.gov.uk/docs/work-prog-prospectus-v2.pdf>
- 21. Skills conditionality will apply to claimants prior to their entry onto the Work Programme as well as once they are on the Work Programme.**
22. Jobcentre Plus Personal Advisers will be given some flexibility to delay a claimant's referral to the Work Programme if they have recently completed training provision or are currently undertaking training and they expect the claimant to find work in the near future.
23. The new support offered to all JSA and ESA WRAG claimants prior to their entry to the Work Programme will enable Jobcentre Plus to deliver more flexible and personalised back to work support. The intention is to move as many jobseekers as possible into employment and allow Jobcentre Plus managers and advisers a significant degree of autonomy in the way they provide that support. As set out in [Skills for Sustainable Growth](#), the Government is also giving colleges and learning providers greater freedom and autonomy in responding to the needs of their local community and economy, tailoring provision to local demand.
24. The implementation of skills conditionality needs to be seen in the context of increasing flexibility for both training providers/colleges and Jobcentre Plus advisers alongside the move to a stronger conditionality and sanctioning regime across the skills and employment system.

² Delivery partners will be drawn from the public, private and voluntary sectors via the new DWP Framework for Employment Related Support Services.

Skills Conditionality: Jobcentre Plus Referrals

25. Skills interventions will be a key part of the Jobcentre Plus offer to claimants from April 2011. Jobcentre Plus advisers will be expected to assess a claimant's skills needs during the proposed initial diagnostic activity at the beginning of a new claim for Jobseekers Allowance and there will be further opportunities to review this through the periodic adviser reviews/interviews and the flexible adviser interviews following the Work Capability Assessment (WCA) for Employment and Support Allowance claimants.

Our proposal is set out below

26. **We are taking forward secondary legislation that will bring skills interventions within scope of the mandatory/sanctionable activities that may be listed initially within the Jobseekers Agreement (JSAg) or Jobcentre Plus action plan and then, once it is rolled out, in the 'claimant commitment'.**

More details on the claimant commitment can be found in the DWP white paper, [Universal Credit: welfare that works](#).

27. This section sets out our proposed approach to taking forward skills conditionality in England. We hope to implement a similar approach in Scotland and Wales subject to agreement with the Devolved Administrations.

- Attendance at an initial provider interview when a claimant is referred by Jobcentre Plus will be mandatory. A suitably qualified professional at the college or training provider will undertake an initial assessment to identify the individual's skills barriers to employment, in light of local labour market conditions.
- Jobcentre Plus advisers in discussion with colleges/training providers (and, where appropriate, Next Step and/or other professionals with an interest) will have the flexibility to decide **whether** a referral to training is appropriate. Where the claimant has clearly identified job goals and a skills need and the college/provider has confirmed that they can offer that individual a Government fully funded place on a suitable course to address that skills need, a mandatory referral to participate in training should be made. That referral should be made at an appropriate time in the claim – for those claimants where the skills need is the primary barrier to gaining employment that should be as early as possible. There will be scope for the college/training provider to design the provision around the needs of the individual; the referral will not stipulate what the provision will include and will not bind the provider to a particular approach.
- Jobcentre Plus advisers will be able to make a mandatory referral to Next Step (and in time the all-age careers service) if they feel they need expert consideration of the barriers a claimant faces to achieving sustainable employment. Next Step will provide a Skills Action Plan for each individual, based on a professional in depth consideration of their skills, through one or more guidance sessions with them. The plan will identify the key actions, including suitable training courses that need to be taken to help the claimant

Consultation – Skills Conditionality

attain the skills they need to get a job or to prepare for work, taking account of local labour market considerations. Jobcentre Plus advisers will be able to use the Skills Action Plan, and feedback from the careers adviser, to direct the claimant to a suitable college/provider as set out above.

- Where an individual is mandated to attend training and the college/provider decides partway through the course that it is not suitable for the claimant; or is not the most suitable course of action; or that they need something different first (eg support with basic skills or non-skills support such as to address dependency), the Jobcentre Plus adviser will have the flexibility, in discussion with the training provider to drop the requirement or amend it.
- If the claimant has failed to start or left the training without good reason the Jobcentre Plus adviser, using any information given to them by the provider or college about the individual's non-participation and also any information they may obtain directly from the claimant, will refer the case to a Benefit Delivery Centre where a decision maker³ will decide whether or not the individual had 'good cause' for failing to engage/attend or should be sanctioned. Whilst the onus is on the claimant to provide evidence of whether or not they had good cause for failing to attend the training in some cases the decision maker may need to contact the training provider in order to verify any evidence that has been provided by the claimant. Currently training providers and colleges are expected to provide information on starts and attendance for Jobcentre Plus claimants attending provision on a full-time basis as that information is needed for the payment of training allowances and travel and childcare costs. Under our proposal for skills conditionality, training providers and colleges will also be asked to provide this information for claimants referred to them on a part-time basis. We envisage that this can be done through the existing systems colleges and providers use to record full-time attendance.
- Where appropriate (eg where a claimant has expressed an interest in improving their wider skills that may not be directly related to their future employment) the Jobcentre Plus adviser will be able to signpost a claimant to a college/provider or Next Step as part of a general conversation about the support available to help them get back to work. In these cases attendance will not be mandatory.

28. If there is no appropriate and fully funded training provision to meet the claimant's needs within their locality, it will not be possible to make a referral to training and therefore skills conditionality will not apply. Before a claimant can be mandated to attend skills provision, the provider must have confirmed that they are able and willing to accept the claimant onto an appropriate course. It is our intention that claimants will not be mandated to training unless their associated travel and childcare costs can be met by Jobcentre Plus.

³ Decision makers are suitably trained and experienced officials who are authorized to make decisions on benefit claims and applications on behalf of the Secretary of State for Work and Pensions.

Skills Conditionality: Work Programme Referrals

29. Work Programme delivery partners will determine what provision and activities a claimant participating on the Work Programme will undertake, ensuring it is suitable and focused on meeting the needs of the individual claimant. This will be recorded on an action plan and may include skills provision, which will remain accessible to claimants on the Work Programme subject to local availability. Work Programme providers will engage with training providers and colleges to confirm skills provision is available and that the training provider/college is willing to accept the claimant. We are introducing powers that will allow Work Programme delivery partners the discretion to mandate claimants to such training. As is the case with referrals from Jobcentre Plus, where claimants are mandated to training the training provider or college will need to inform the Work Programme provider if the claimant fails to attend or drops out of provision. Following that the Work Programme provider will be expected to refer the claimant to the Benefit Delivery Centre where a decision maker will decide whether or not the individual had 'good cause' for failing to engage/attend and should be sanctioned.

Consultation Questions:

1. **What risks and opportunities does this proposal present for colleges and training providers or Next Step prime contractors?**
2. **How can we minimise any risks for the skills system, while optimising the impact on participation and completion rates and employment outcomes?**
3. **What factors are likely to influence how colleges and providers respond to this policy change, and in what ways?**
4. **What do we need to do to ensure that Jobcentre Plus advisers provide people with the best opportunities to improve their skills, whilst ensuring local decision making and flexibility?**

Conditionality and sanctions

30. The **claimant commitment** will be introduced through the Welfare Reform Bill. It will set out clearly all the requirements expected of the claimant and the consequence of non-compliance. Any mandatory referral to skills training will be included in the claimant commitment, together with information on the sanction that will be imposed if the claimant fails to attend, drops out or does not participate. Claimants may still be informally signposted to training, for instance if

Consultation – Skills Conditionality

they are interested in improving their skills but the adviser judges that this is not a significant barrier to their securing sustainable work.

31. Until the claimant commitment is introduced referrals to training will need to be recorded by the adviser on a Jobseekers Agreement (for Jobseekers Allowance claimants) or Jobcentre Plus action plan (for claimants in the Employment Support Allowance Work Related Activity Group)
32. The Jobseekers Agreement is intended to set out details of a jobseeker's availability for work, agreeing the most appropriate steps for the claimant to take when seeking employment, and provide a basis for their job search activities to be monitored and reviewed. Some claimants have restrictions on their hours of work or patterns of work agreed by an adviser and this will be taken into account before they are referred to training provision.
33. For the ESA (WRAG) group, all work related activities must be recorded initially by the adviser in the claimants' ESA WRAG action plan together with the timescale for completion and any evidence requirements. If the claimant fails to undertake the work related activity specified on their action plan/claimant commitment, benefit sanctions may be applied.
34. The switch from recording referrals on the JSAg/action plan to recording them on the claimant commitment should not have a significant impact on the referral process to skills provision or on the role of skills providers in notifying Jobcentre Plus if the claimant fails to attend or engage with the provision. (See paragraph 41 below on Data Sharing).
35. The sanctions systems that will be applied as part of skills conditionality in August 2011 will initially remain the same as those currently in use. In the current regime Jobseekers Allowance claimants would lose benefits for a fixed period of time, either two or four weeks (increasing to twenty six weeks for those on the Work Programme). For Employment Support Allowance Work Related Activity Group claimants, the sanction is 50% of the work related activity component for the first four weeks and then 100% of the work related activity component after this period⁴. This sanction remains in place until the claimant complies with the requirement placed upon them.
36. **A new sanctions structure** (as outlined in the DWP white paper [Universal Credit: welfare that works](#)) will be introduced following the passage of the Welfare Reform Bill. The new structure will apply to those claiming Jobseekers' Allowance and Employment and Support Allowance and includes proposals for open ended sanctions.
37. Open ended sanctions will apply in cases where a claimant fails to meet a requirement to prepare for work (e.g. Failure to attend an employment-related programme such as training). The sanction will lead to 100% of benefit payments ceasing until the claimant re-engages with requirements and for a fixed period

⁴ The Work Related Activity Component of ESA is currently £25.95 per week.

Consultation – Skills Conditionality

after re-engagement (fixed period sanctions are expected to start at one week, rising to two, then four weeks with each subsequent failure to comply).

38. Referrals to a decision maker for benefit sanction are dealt with on a case by case basis and as such claimants who can show good cause will not be sanctioned.
39. The proposed changes to sanctions will mean that where claimants are sanctioned for failing to meet a requirement to prepare for work (e.g. not completing a training course) payment will cease until the claimant has re-complied with requirements (subject to a further fixed sanction period), which could include requiring the claimant to return and complete the course.

Consultation question

5. How can we best manage the process of asking people to return to a training course that they have previously left, in particular, in relation to the role of Jobcentre Plus, and the implications for the claimant and the college or training provider or Next Step provider?

Impact on colleges, training providers and Jobcentre Plus

40. The process of ‘mandating’ someone to training and enforcing their attendance should be as streamlined as possible, in line with government principles to free up colleges and training organisations from dealing with over-complex systems and bureaucratic requirements. Our aim in implementation is to minimise the risk of perverse referral patterns resulting in artificially large or small numbers of people on active benefits accessing skills training. DWP is facilitating work with Jobcentre Plus and the Skills Funding Agency to design feedback loops that work for both Jobcentre Plus and skills providers, keep other professionals with an interest (e.g. Probation Officers) informed, and strip out unnecessary bureaucracy. This would include the removal of the need to collect the informed consent of the learner prior to sharing relevant information regarding skills provision attendance between a training provider/college and Jobcentre Plus.
41. Legislation⁵ has already been put in place to allow proportionate sharing of claimant information between organisations that are supporting Jobcentre Plus claimants with their employment, skills and training needs. To minimise bureaucracy and provide a seamless service to the claimant, the regulations allow for information to be shared without the need to repeatedly obtain an individual’s written informed consent each time updated information is required. Social

⁵ *The Welfare Reform Act 2009 introduced an amendment to Section 72 of the Welfare Reform and Pensions Act 1999. This was followed by Secondary Legislation – Statutory Instrument 2010 N^o 508 [The Social Security (Claims and Information)(Amendment) Regulations 2010] that came into effect 6 April 2010.*

Security, employment, skills and training information can be shared between Jobcentre Plus, DWP contracted providers, specified types of local authorities, careers advisers and skills training providers in England, Scotland and Wales. In practice, this will mean that information can be shared as often as is necessary, to support activities such as the management of adviser caseloads, undertaking joint action planning between the relevant organisations and in monitoring and building on the progress a claimant is making with the steps they are undertaking to move into work.

42. The final step to implementing the legislation is underway and DWP officials are taking the legislation through the DWP Data Security and Office for Information Commissioner protocols, with a view to the powers being operational by spring 2011.
43. Data Sharing will assist local partnership working between colleges, training providers Next Step contractors and Jobcentre Plus. With the right information from Jobcentre Plus about the claimant's circumstances and history, colleges and training providers will be able to plan appropriate provision and Next step providers will be able to provide appropriate advice. In return, Jobcentre Plus or a Work Programme provider will need any relevant information from Next Step, colleges and training providers when a claimant fails to start or attend provision. Jobcentre Plus or the Work Programme provider will pass this information on to the Benefit Delivery Centre for a decision maker to consider whether or not a sanction should be applied. The onus is on the benefit claimant to demonstrate if he or she had good reason for not attending the training. In establishing whether or not this was the case the decision maker may need to contact the training provider for further information. DWP are leading work with Jobcentre Plus and Skills Funding Agency to ensure a simple and effective feedback process is in place between providers and local Jobcentres that incorporates what a decision maker will need, whilst keeping the burden on the provider to a minimum and allowing scope for local partners to work together to determine the most feasible arrangements for all parties.

6. What information do providers (including Next Step) require in order to enable them to ensure that mandated learners are placed on the most appropriate provision?

7. What is the best way to ensure effective feedback takes place so that everyone gets the information they need with the minimal amount of bureaucracy?

Impact on Jobcentre Plus claimants

44. With relation to conditionality, Jobcentre Plus advisers will ensure that the requirements they place on a claimant are reasonable for that person, taking into account their particular capabilities and circumstances. It is important to balance

the need to have a strong and clear conditionality regime with the need to support the most vulnerable. Most people want to find work and will not find themselves in the position of facing a sanction. We need to make sure that benefit claimants fully understand the consequences of failing to attend training once they have been referred by the Jobcentre. The individualised support and guidance offered by Jobcentre Plus advisers should help to ensure that this is the case. It is important that claimants are clear about the reasons why they have been referred to training and what the potential benefits are as well as the fact that attendance is mandatory. Jobcentre Plus have a well established robust process to determine the appropriateness of applying a sanction with safeguards for vulnerable claimants

45. In particular for ESA WRAG claimants it is important to consider their welfare, and take into account any mental health conditions or learning disabilities, or conditions affecting communication/cognition, eg stroke, autistic spectrum disorder, before any benefit sanctions are imposed. Such considerations would naturally be factored in by Jobcentre Plus, Next Step and the college or training provider before the claimant was referred to or enrolled on the provision in the first place. As such, if the claimant cannot come into a Jobcentre Plus office, then home visits may be conducted to help give claimants the chance to comply with ESA requirements, ensuring that no one has their benefit reduced or stopped inappropriately.

Consultation question:

8. What further steps do we need to take to ensure that claimants are clear on the requirements placed on them once they are referred to careers advice and/or skills provision and the consequences of failing to attend?

JSA Skills Conditionality pilots

46. In April 2010, the JSA Skills Conditionality pilot was launched in eleven Jobcentre Plus districts in England. It looks at the effect of the threat of mandatory referrals on JSA claimants reaching the 6 months stage of their benefit claim who had an identified skills need and were subsequently referred to training to address these needs. The training that was in scope for the pilot was the Employability Skills Programme, the recession measures such as the 6 Month Offer, the Young Person's Guarantee and the Response to Redundancy programme, skills provision funded through ESF, and, in some instances mainstream BIS-funded Adult Learner Responsive provision.

47. We have learnt valuable lessons from the implementation of the pilot and our proposals reflect this experience. In particular, the proposed approach increases flexibility for the adviser to mandate claimants or to signpost them to the provider on a voluntary route. We have also strengthened the role of the training provider in confirming at the outset that a particular course appears suitable for the claimant.

Cost and Benefit

48. We anticipate that the additional costs of applying skills conditionality will be minimal. There will be additional costs for Jobcentre Plus in referring claimants to the DMA and sanctioning process. We hope to keep any additional costs for the college or training provider to the minimum by facilitating the design of simple, streamlined feedback loops between providers and Jobcentre Plus and encouraging local partners to work together to determine the most viable and administratively straightforward arrangements for all parties. The anticipated benefits will be a reduction in drop out between referrals and starts and a greater number of claimants participating in and completing training provision as part of their journey back to work. This will also result in more people improving their skills, leaving benefit and retaining employment for longer.

Impact Assessments

49. The proposed changes to the regulations will have a negligible impact on the public sector.

Equality Impact Assessment

50. A full equality impact assessment has been conducted, please see Annex 2.

51. The EIA finds no evidence that skills conditionality will affect disproportionately a particular age group, gender, ethnicity or the disabled.

Summary of the questions

- 1. What risks and opportunities does this proposal present for colleges and training providers or Next Step prime contractors?**
- 2. How can we minimise any risks for the skills system, while optimising the impact on participation and completion rates and employment outcomes?**
- 3. What factors are likely to influence how colleges and providers respond to this policy change, and in what ways?**
- 4. What do we need to do to ensure that Jobcentre Plus advisers provide people with the best opportunities to improve their skills, whilst ensuring local decision making and flexibility?**
- 5. How can we best manage the process of asking people to return to a training course that they have previously left, in particular, in relation to the role of Jobcentre Plus, and the implications for the claimant and the college or training provider or Next Step provider?**

6. What information do providers (including Next Step) require in order to enable them to ensure that mandated learners are placed on the most appropriate provision?

7.. What is the best way to ensure effective feedback takes place so that everyone gets the information they need with the minimal amount of bureaucracy?

8. What further steps do we need to take to ensure that claimants are clear on the requirements placed on them once they are referred to careers advice and/or skills provision and the consequences of failing to attend?

9. Are there any other points you wish to make about the implementation of skills conditionality?

Annex 1

How we consult

Freedom of information

1. The information you send us may need to be passed to colleagues within the Department for Work, and Pensions, the Department of Business Innovation and Skills and the Devolved Administrations in Scotland and Wales, published in a summary of responses received and referred to in the published consultation report.
2. All information contained in your response, including personal information, may be subject to publication or disclosure if requested under the Freedom of Information Act 2000. By providing personal information for the purposes of the public consultation exercise, it is understood that you consent to its disclosure and publication. If this is not the case, you should limit any personal information provided, or remove it completely. If you want the information in your response to the consultation to be kept confidential, you should explain why as part of your response, although we cannot guarantee to do this.
3. To find out more about the general principles of Freedom of Information and how it is applied within DWP, please contact:

Central Freedom of Information Team
The Adelphi
1-11, John Adam Street
London WC2N 6HT

Freedom-of-information-request@dwp.gsi.gov.uk

4. The Central FoI team cannot advise on specific consultation exercises, only on Freedom of Information issues. More information about the Freedom of Information Act can be found at www.dwp.gov.uk/freedom-of-information

The consultation criteria

5. The consultation is being conducted in line with the Government Code of Practice on Consultation – [Government Code of Practice on Consultation](#) (BIS). The seven consultation criteria are:
 - **When to Consult.** Formal consultation should take place at a stage when there is scope to influence the outcome.
 - **Duration of consultation exercises.** Consultations should normally last for at least 12 weeks, with consideration given to longer timescales where feasible and sensible.

Consultation – Skills Conditionality

6. The consultation period for this consultation begins on 9th December 2010 and runs until 3 February 2011.
 - **Clarity of scope and impact.** Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence, and the expected costs and benefits of the proposals.
 - **Accessibility of consultation exercises.** Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is designed to reach.
 - **The burden of consultation.** Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.
 - **Responsiveness of consultation exercises.** Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.
 - **Capacity to consult.** Officials running consultation exercises should seek guidance in how to run an effective consultation exercise, and share what they have learned from the experience.

Feedback on the consultation process

7. We value your feedback on how well we consult. If you have any comments on the process of this consultation (as opposed to the issues raised) please contact our Consultation Coordinator:

Roger Pugh
DWP Consultation Coordinator
1st floor, Crown House
2, Ferensway
Hull HU2 8NF

Phone: 01482 584681

Email: roger.pugh@dwp.gsi.gov.uk
8. In particular, please tell us if you feel that the consultation does not satisfy the consultation criteria. Please also make any suggestions as to how the process of consultation could be improved further.
9. If you have any requirements that we need to meet to enable you to comment, please let us know.
10. We will publish the responses to the consultation by 1st March 2011 in a report on the consultations section of our website www.dwp.gov.uk/consultations. The report will summarise the responses and the action that we will take as a result of them.

Annex 2

Skills Conditionality: Equality Impact Assessment

1. 'Skills conditionality' involves making benefit payments to active benefit claimants⁶ with a skills need conditional on taking up appropriate training identified by both Jobcentre Plus and a training provider as part of their journey back to work. We plan to roll out skills conditionality from 1st August 2011⁷.
2. The analysis that follows looks at the characteristics of Jobseekers Allowance (JSA) and Employment Support Allowance Work Related Activity Group (ESA WRAG) claimants, with the aim of understanding the impact that this policy may have on them. We use data from the Labour Force Survey (LFS, Q2 2010) to analyse the characteristics of JSA claimants who would be subject to conditionality, whereas we use data from administrative sources for ESA WRAG claimants. We are aware of the problems of using the LFS to identify individuals on benefits. On the other hand, the LFS is probably the best source to get a measure of the qualification level of the claimants that will be potentially subject to conditionality. This being about skills conditionality, having a measure of the qualification level of the claimants involved is critical, as individuals with the lowest qualifications are more likely to be those identified as having a skills need and therefore be subject to skills conditionality.
3. Skills conditionality will apply to claimants both before and after referral to the Work Programme (WP). This Equality Impact Assessment focuses on the impact pre-entry to the Work Programme. JSA claimants aged 25 and over will be referred to the WP from 12 months of their claim, and JSA claimants aged 18-24 year-olds will be referred the WP from 9 months of their claim, unless they are disadvantaged in the labour market, or have moved onto JSA from incapacity benefits. The LFS gives an indication of the length of the claim for JSA claimants, so below we show data for the JSA claimants aged 25-64 who report to have been claiming JSA for up to 12 months, and for JSA claimants aged under 25 who report to have been claiming JSA for up to 6 months (the LFS does not indicate who has been claiming for 9 months, so we use 6 months instead). The LFS does not capture ESA WRAG claimants, so we couldn't repeat all the breakdowns in the data presented for JSA claimants.
4. For the reasons presented above, we analyse the impacts on JSA and ESA

⁶ Jobseeker's Allowance and Employment Support Allowance work-related activity group; officials are considering whether other groups should also be in scope

⁷ The proposed policy will apply to all regions in England. As skills policy is devolved, we are working with the Devolved Administrations to confirm whether or not skills conditionality will apply in Scotland and Wales. All the statistics in this document refer to Great Britain.

WRAG claimants separately. We expect that approximately 1/3 of all the individuals subjected to conditionality will be ESA WRAG claimants. This gives an indication of the weight of the effects of each group on the total.

Gender

5. JSA claimants under 25 years: Table 1 shows that men are more likely to be part of the group classified as International Labour Organisation (ILO) unemployed, aged 16-24 and reporting to have been claiming JSA for up to 6 months. Therefore, they are more likely to be subject to conditionality than women.
6. Table 1 also shows that males of this age group will be even more likely to be subject to conditionality as a result of their lower qualification level when they reach 6 months of their JSA claims. Although men make just over two thirds of all the population in this group, they make almost three quarters of those with qualifications below level 2.

Table 1: Percentage of those classified as ILO unemployed, aged 16-24 and reported claiming JSA for up to 6 months⁸

	Quals below Level 2	Level 2 and above	All qualifications
Male	74	64	68
Female	26	36	32
Total	100	100	100

Source: LFS, Q2 2010

7. JSA claimants aged 25-64: Table 2 focuses on the ILO unemployed aged 25 and over who report to have been claiming JSA for up to 12 months.

Table 2: Percentage of those classified as ILO unemployed, aged 25-64 and reported claiming JSA for up to 12 months

	Quals below Level 2	Level 2 and above	All qualifications
Male	63	69	67
Female	37	31	33
Total	100	100	100

Source: LFS, Q2 2010

8. Table 2 presents a more balanced picture than Table 1: although the participation of males in the total is similar to that of Table 1, when it comes to the lowest qualified, Table 2 finds a smaller difference between men and women. So although men are again more likely to be subject to conditionality in this age

⁸ This table refers to individuals who, according to the LFS, are both ILO unemployed *and* report to have been claiming JSA for the period specified.

Consultation – Skills Conditionality

group, the male-female discrepancy will be lower than among the younger individuals.

- 9. ESA claimants: The administrative data doesn't provide robust enough information on the qualification levels of claimants. Therefore, Table 3 below presents data for gender and age group of ESA WRAG claimants.

Table 3: Percentage of ESA WRAG claimants by gender and age

	Under 25	25 and above	All ages
Male	54	56	56
Female	46	44	44
Total	100	100	100

Source: Administrative data for ESA WRAG claimants with an assessment decision made between Oct 08 - Sept 09

- 10. As mentioned above, this data does not refer exclusively to people who have been claiming ESA WRAG for a specific period of time, but rather to all the ESA claimants who have been assessed (and assigned to ESA WRAG) during Oct08-Sept09.
- 11. The gender incidence seems to be much more balanced for both age groups than it was for JSA claimants. Therefore, we expect the effects of conditionality to be more evenly felt by both genders among ESA WRAG claimants than among JSA claimants.
- 12. The evidence for both benefits suggests that we should expect the majority of JSA claimants subject to conditionality to be male. However, the proportions presented above are aligned with the actual gender distribution of all current JSA and ESA claimants. Therefore, we do not expect this policy to have disproportionate effects for a particular gender, other than through the channels identified above: among the younger JSA claimants, more males may be subject to conditionality due to their lower qualification profile, although this may be offset by the opposite effect being observed among individuals aged 25 and above.
- 13. We anticipate that travel and childcare costs will be met for those mandated to training. However, this is subject to availability of funding. Our intention is that claimants will not be mandated to training unless their associated travel and childcare costs can be met by Jobcentre Plus.

Ethnicity

- 14. JSA claimants under 25 years: Sample sizes do not allow us to report data for each recorded ethnicity. In consequence, we aggregate the results in the categories "white" and "non white". Table 4 shows that the majority of those in this

Consultation – Skills Conditionality

group are White, who in turn are slightly over-represented among those qualified below Level 2. Therefore, this policy, by focusing on those who are lower-skilled, will tend to affect White claimants more than non-White ones.

Table 4: Percentage of those classified as ILO unemployed, aged 16-24 and reported claiming JSA for up to 6 months

	Quals below Level 2	Level 2 and above	All qualifications
White	90	84	87
Non-White ⁹	10	16	13
Total	100	100	100

Source: LFS, Q2 2010

15. JSA claimants aged 25-64: Table 5 focuses on the other group of JSA claimants who will be subject to conditionality pre-Work Programme: the ILO unemployed aged 25 and over who report to have been claiming JSA for up to 12 months.

16. Among this age group, the disparities found after segmenting by qualification level are less marked than for the younger group. But still, the greater incidence of Whites among the lowest qualified may mean that Whites are disproportionately subject to conditionality.

Table 5: Percentage of those classified as ILO unemployed, aged 25-64 and reported claiming JSA for up to 12 months

	Quals below Level 2	Level 2 and above	All qualifications
White	87	85	86
Non-White ²	13	15	14
Total	100	100	100

Source: LFS, Q2 2010

17. ESA claimants: The same caveats as before apply in terms of coverage of different lengths of claims. Also, there are a significant number of ESA WRAG claimants for whom we do not have administrative data on ethnicity. Table 6 presents the breakdown by age and ethnicity of the individuals for whom we do have ethnicity data.

Table 6: Percentage of ESA WRAG claimants by ethnicity and age

	Under 25	25 and above	All ages
White	93	92	92

⁹ We are unable to break the non-white group down any further due to sample sizes.

Consultation – Skills Conditionality

Non-White ²	7	8	8
Total	100	100	100

Source: Administrative data for ESA WRAG claimants with an assessment decision made between Oct 08 - Sept 09

18. Table 6 shows that for both age groups, the majority of ESA WRAG claimants who we expect will be subject to conditionality are White. Their overrepresentation is even greater than the one we found for JSA claimants. Therefore, we expect the policy to affect White ESA WRAG claimants more than non-White ones.
19. The above evidence for both age groups suggests that we should expect the majority of claimants subject to conditionality to be White. The proportions presented above are also broadly aligned with the ethnic composition of JSA and ESA claimants in general, so we do not expect this policy to affect Whites or Non-White disproportionately, other than through the channels identified above.
20. Jobcentre Plus provides access to interpreters to accompany claimants at interviews. The provision of English for Speakers of Other Languages (ESOL) training reflects regional variations in demand. Local providers will decide how much English language training to offer locally.

Disability

21. JSA claimants under 25 years: Table 7 shows that less than a tenth of claimants in this group have a disability, so we expect the majority of individuals to be subject to conditionality in this group not to have a disability.
22. Table 7 also shows that the incidence of individuals with a disability is greater among those qualified below Level 2 than among those qualified to Level 2 and above. This suggests that a policy which targets the lower-skilled (proxied by qualifications below Level 2) may have more of an impact on the disabled than the non-disabled.

Table 7: Percentage of those classified as ILO unemployed, aged 16-24 and reported claiming JSA for up to 6 months

	Quals below Level 2	Level 2 and above	All qualifications
Disabled	11	6	8
Non-Disabled	89	94	92
Total	100	100	100

Source: LFS, Q2 2010

23. JSA claimants aged 25-64: Table 8 replicates the analysis of the previous subsection, but focuses on the ILO unemployed aged 25 and over who report to have been claiming JSA for up to 12 months

Consultation – Skills Conditionality

Table 8: Percentage of those classified as ILO unemployed, aged 25-64 and reported claiming JSA for up to 12 months

	Quals below Level 2	Level 2 and above	All qualifications
Disabled	21	16	18
Non-Disabled	79	84	82
Total	100	100	100

Source: LFS, Q2 2010

24. Table 8 shows that the incidence of the disabled is much greater among this age group than among the younger group analysed previously. However, the rest of the interpretation is similar: the incidence of individuals with a disability is greater among those qualified below Level 2 than among those qualified to Level 2 and above. This suggests that a policy which targets the lower-skilled may have more of an impact on the disabled than the non-disabled. Paragraph 30 below show how we expect to mitigate this.
25. The above evidence for both age groups suggests that we should expect the majority of JSA claimants subject to conditionality to be non-disabled. However, the greater incidence of disability among the lowest qualified may mean that they are disproportionately subject to conditionality, and this is even more prevalent for those with non-physical disabilities.
26. On the other hand, however, the proportions presented above for JSA claimants show a lower incidence of disabled individuals than the actual incidence that we observe among all JSA claimants. This may be due to the fact that the disabled tend to stay longer than the non-disabled on benefits, so when we limit the length of the claims (as in Tables 7 and 8), their participation tends to decrease. This effect makes disabled individuals less affected by conditionality than what it would be expected according to their general incidence on JSA.
27. ESA claimants: We expect most ESA claimants to have a disability or health condition which may make a return to work more difficult. Within ESA claimants, ESA WRAG claimants would have been assessed as having limited capability for work. Table 9 below shows a breakdown of the type of disability suffered by ESA WRAG claimants. The same caveats as before apply in terms of coverage of different lengths of claims.
28. Table 9 shows that the two age groups covered differ substantially in the incidence of the different conditions. Whereas between half and two thirds of those aged under 25 have mental and behavioural disorders, only just over one third of those aged 25 and above do. Also, the incidence of Diseases of the Musculoskeletal system and Connective Tissue is four times greater among those aged 25 and above than above individuals aged under 25 years of age.

Consultation – Skills Conditionality

Table 9: Percentage of ESA WRAG claimants by age and condition group

	Under 25	25 and above	All ages
Diseases of Musculoskeletal syst & Connective Tissue	5%	21%	19%
Diseases of Nervous Syst	7%	5%	5%
Diseases of Respiratory & Circulatory Syst	1%	9%	8%
Injury Poisoning & certain other consequences of external	3%	3%	3%
Mental & Behavioural disorders	57%	35%	37%
Other	25%	26%	26%
No info	2%	1%	1%
Total	100%	100%	100%

Source: Administrative data for ESA WRAG claimants with an assessment decision made between Oct 08 - Sept 09.

29. Aggregating ESA WRAG with JSA claimants, we expect that around half of all the individuals subject to conditionality will have some sort of disability.

30. All Jobcentre Plus offices are compliant with the Equality Act in ensuring that all reasonable steps are taken to ensure that the full range of services are offered to everyone. Jobcentre Plus insists that all the organisations they work with are compliant with legislation, such as the Equality Act and Health and Safety regulations. If a disabled person is unable to use public transport, JCP pays the cost of alternative transport (taxi).

31. For ESA WRAG claimants it is important to consider their welfare, and take into account any mental health conditions or learning disabilities, or conditions affecting communication/cognition, eg stroke, autistic spectrum disorder, before any benefit sanctions are imposed. Such considerations would naturally be factored in by Jobcentre Plus, Next Step and the college or training provider before the claimant was referred to or enrolled on the provision in the first place. As such, if the claimant cannot come into a Jobcentre Plus office, then home visits may be conducted to help give claimants the chance to comply with ESA requirements, ensuring that no one has their benefit reduced or stopped inappropriately.

Age

32. Where available, the previous sections were dealing separately with two age groups. This was due to the fact that those two age groups may be entering the Work Programme at different stages of their claims, therefore being subject to conditionality for different periods of time. This section looks at three age groups: 16-24, 25-49 and 50-64. Again, the data is presented separately for JSA and ESA claimants.

Consultation – Skills Conditionality

JSA claimants:

Table 10: Percentage of those classified as ILO unemployed, and reported claiming JSA for up to 6 months (under 25 years) or up to 12 months (aged 25 and above). Column percentages.

	Quals below Level 2	Level 2 and above	All qualifications
16-24	30	22	25
25-49	55	61	59
50-64	15	17	16
Total	100	100	100

Source: LFS, Q2 2010

Table 11: Percentage of those classified as ILO unemployed, and reported claiming JSA for up to 6 months (under 25 years) or up to 12 months (aged 25 and above). Row percentages.

	Quals below Level 2	Level 2 and above	Total
16-24	45	55	100
25-49	35	65	100
50-64	35	65	100
All ages	38	62	100

Source: LFS, Q2 2010

33. Given the demographics of the claimant population, Table 10 shows that those aged 25-49 still make up more than half of the individuals we expect to be subject to conditionality while on JSA. However, Table 11 shows that those aged 16-24 have a worse qualification profile than those aged 25 and above. Also, those aged 25-49 and 50-64 have similar qualification profiles. Therefore, we can expect the individuals aged 16-24 to be over-represented among those that will be subject to conditionality while on JSA, by virtue of their worse qualification profile.

34. ESA Claimants: The age distribution of ESA WRAG claimants seems to be much more concentrated towards the 50+ group than was the case for the JSA claimants (see Table 10). However, we still expect that the 25-49 will be the group with the greatest participation among those subject to conditionality.

Table 12: Percentage of ESA WRAG claimants by age

	All ages
Under 25	11
25-49	52
50+	37
Total	100

Source: Administrative data for ESA WRAG claimants with an assessment decision made between Oct 08 - Sept 09

35. The proportions in Tables 10 and 12 are not too dissimilar to the age distribution of all JSA and ESA claimants; the main difference is that we expect that the claimants subject to conditionality will have a somewhat younger profile than the rest of the claimants.

Religion/faith

36. No data is available on the religion or faith of claimants who will be impacted by this proposal. No negative impacts are expected to result from this proposal. All Jobcentre Plus claimants attending adviser interventions and who are signposted or referred to training are done so regardless of their religion/beliefs.

Sexual orientation

37. No data is available on the sexual orientation of claimants who will be impacted by this proposal. No negative impacts are expected to result from this proposal. All Jobcentre Plus claimants attending adviser interventions and who are signposted or referred to training are done so regardless of their sexual orientation.

Human rights

38. The Department believes that the policy and design of the pilot are consistent with the European Convention on Human Rights.

Child Poverty

39. Greater levels of skills and qualifications could help to reduce child poverty through an increased number of parents achieving sustainable employment and, via inter-generational effects, improve the educational outcomes of children. If this policy were to increase the skills levels of claimants and also help them achieve a sustainable job outcome, we may therefore expect this policy to present an opportunity to promote equality. Upskilling parents, particularly those with basic skills needs, could allow them to play a greater role in their children's education (e.g. helping with school work)¹⁰. If upskilling were to increase parents' earnings, it could also help to alleviate child poverty. The effect of additional income is greater for more economically disadvantaged households.¹¹

Rural

40. The proposed policy will apply equally to all regions in England. Therefore, we do not expect any geographical imbalance in terms of the effect of conditionality

¹⁰ McNally, Stephen Machin and Sandra. (2006). *Education and Child Poverty: A Literature Review*. Joseph Rowntree Foundation.

¹¹ Blow et al. (2004). *How Important is Income in Determining Children's Outcomes?* Institute of Fiscal Studies.

Consultation – Skills Conditionality

across the English regions. As skills policy is devolved, we are working with the Devolved Administrations to confirm whether or not skills conditionality will apply in Scotland and Wales. The amount of financial support available to claimants attending provision varies from district to district, as does the kind of support available. Many local authorities provide half fare or free bus passes to unemployed people.