Thank you for your letter of 16 May, and for your interest in my speech to the Recruitment and Employment Confederation, where I announced two new projects which are part of our programme of work to develop our understanding and capability in supporting working claimants to progress.

1. **What are your objectives for the policy?**

We want people to fulfil their potential at work. For many, we hope that this will result in an increase in earnings, which will help to support households to move out of in-work poverty. In-work poverty rates for working age adults have remained broadly stable over the 10 years to 2017/18 and I would like to see those levels come down. However simply seeking more hours or an immediate increase in earnings is unlikely to be beneficial for everyone. We want to support people to make good choices, and achieve outcomes which are beneficial for them. For some, this might mean moving into more secure work, or finding good quality, flexible work which enables them to manage caring commitments or health conditions. For others it might be about participating in training to improve their earning power and maximise their potential in the labour market. Others may need support to seek out new opportunities, and to gain the confidence to do so.

As I set out in my speech, this is not an issue that any one department, or indeed government, can tackle alone. There are close links to work across government on gender equality and economic empowerment, the development of Local Industrial Strategies, the Industrial Strategy and Good Work Plan, and the National Retraining Scheme. Officials are working together across government to identify mutual opportunities to improve outcomes for those in low paid or low skilled work.

2. **How do you intend to measure success?**
This is a new and developing area of policy for my Department. As set out above, there are a range of objectives and, as such, there are a number of potential measures of success, both for individual projects within our programme of work, and for progression as a whole.

We have just begun a substantial research project which will help us better understand our future in-work cohort: their barriers and support needs around progression, as well as their wider aspirations for work and for life. As we develop our understanding of what claimants want in terms of progression, we will be better able to develop support offers and better able to define our success measures. I would be happy to discuss success measures with the Committee once our thinking on this has developed, and I would welcome any of your thoughts on appropriate metrics.

3. Do you intend your Department’s in-work progression programme to be delivered solely by Jobcentre Plus, whether supporting claimants or engaging with local employers?

We are taking a broad approach to developing the evidence base on progression. The early part of our programme has been focussed on research and analysis, and this will help us shape future trialling activity. While we believe that services delivered through Jobcentre Plus can play a central role in supporting both claimants and employers, it is clear that we cannot work alone. We expected to work with external partners inside and outside of Government who are often well-placed to engage individuals in different settings, and to provide a range of support services.

Similarly, while the Department has significant contact with employers – and we will be working to enhance our capability to use these relationships to promote flexibility and progression – others are often better placed to have more direct influence. We believe that working in partnership with a range of organisations is likely to be key in delivering a successful progression programme.

4. How do you intend to develop your in-work progression policy in the coming months? In particular, is your Department planning to undertake further internal or external pilots on in-work progression?

As our written submission set out, we continue to invest in developing the evidence base, and have a developing programme of research and analysis, tests and trials. The early part of our programme is focussed heavily on analysis and research, including our Future Cohorts research project, and on synthesising the international evidence.

We have recently commissioned a Rapid Evidence Assessment (REA) of
international policies and programmes linked to in-work progression. This review is an important part of our evidence building programme, assessing what other countries are doing, and where evidence is strongest, on progression and related policy areas (e.g. adult skills and learning, low pay, and career coaching).

Currently in scoping phase, we aim to produce an in-depth investigation of five examples of policies or programmes that show promise in terms of effectiveness and transferability to the UK context. Much policy learning to date in this area has been from US programmes (e.g. the Employment Retention and Advancement project; WorkAdvance), but the project is hoping to cast the net wider, including investigating innovative and high impact programmes in European labour markets.

Our programme is developing, and our Future Cohorts project in particular, which delivers findings later this year, will be instrumental in helping us focus in on the barriers, needs and aspirations of those who will be on Universal Credit as it rolls out.

In addition to this research and analysis, in my recent speech to the Recruitment and Employment Confederation I set out two new projects. The first is aiming to boost the capability of our employer facing staff to have good conversations with employers about progression and flexibility. Jobcentre Plus staff already have a great deal of interaction with employers, often focussing on vacancies and recruitment campaigns, support with skills provision and information about benefits. UC gives us a real opportunity to develop these conversations to incorporate the range of action that employers could take to support progression. We will be drawing on external expertise to support Jobcentre Plus to enhance its capability in this.

The second is to develop our understanding of how to support individuals to make good decisions about job-switching as a means of progressing. One of the ways in which people can progress is through switching jobs or changing employer. We wish to ensure that claimants make good decisions that are right for them and are supported to be able to weigh up the range of considerations when looking at job switching as a progression option. Again, we will be drawing on external expertise to build our ability to help claimants to make good decisions about job-switching.

We further anticipate that, over the coming months and years of the programme, we will be delivering a range of tests and trials, delivered both within and outside the department. To this end we will shortly be approaching academics, researchers, employers and others, to work with us to gather evidence and generate ideas for fresh approaches. I have already begun
discussions with the Trades Union Congress and the Confederation of British Industry on how we can take this work forward

5. Please could you let us know if conditionality will form any part of future trials run by the Department, and what role, if any, do you envisage for sanctions in your in-work progression policy?

The broad approach we are taking to developing our understanding of what supports in-work progression means that we are looking at a range of ways to help people.

I do not think conditionality backed by sanctions is likely to be the best means of achieving in-work progression and further testing of this approach is not my priority. My immediate focus is to look at ways of engaging and supporting individuals who are already in work which do not involve the possibility of sanctions. For example: understanding methods of engaging people on a voluntary basis; using the digital capabilities of the UC system; and potentially working through others outside of Jobcentre Plus to engage and support people to progress.

Yet, as you know, our Randomised Control Trial tested one version of conditionality with an early in-work cohort, with small but positive findings, and we have retained the powers set out in section 41(5)(a) of the Welfare Reform Act to deliver further trials in the future which involve imposing conditionality on claimants who earn over a prescribed amount.

I look forward to continuing to work collaboratively with the Committee on this important agenda.

Best \[signature\]

The Rt Hon Amber Rudd MP
SECRETARY OF STATE FOR WORK AND PENSIONS