



Department  
for Work &  
Pensions

Minister for Work and  
Pensions (Lords)  
4<sup>th</sup> Floor  
Caxton House  
Tothill Street  
London  
SW1H 9DA

0207 340 4000

[www.gov.uk/dwp](http://www.gov.uk/dwp)

Email:  
[ministers@dwp.gov.uk](mailto:ministers@dwp.gov.uk)

Minister for Employment  
4<sup>th</sup> Floor  
Caxton House  
Tothill Street  
London  
SW1H 9DA



Department  
for Education

Parliamentary Under-Secretary  
of State for the School System  
Sanctuary Buildings  
Great Smith Street  
Westminster  
London  
SW1P 3BT

0370 000 2288

[www.gov.uk/dfe](http://www.gov.uk/dfe)

23<sup>rd</sup> March 2022

Lord Storey, CBE

Dear Mike,

## **SKILLS AND POST-16 EDUCATION BILL: UNIVERSAL CREDIT CONDITIONALITY**

Thank you for meeting with us on 23 March to discuss the amendment you are considering regarding Universal Credit conditionality at the Lords Report stage of the Skills and Post-16 Education Bill.

You will have seen the letter that we sent to the Lord Bishop of Durham on the 3 March which covers many of these points. Further to that letter, and as discussed, we wanted to write to you to outline the government's position on the further points you raised.

### Universal Credit and training

You raised the issue of accessing Universal Credit (UC) while undertaking training. The core objective of UC is to support claimants to enter work, earn more or prepare for work in the future, providing a short-term financial safety net for people who require it and a strong link with making work pay. As you know, Universal Credit is not designed to fund educational maintenance. Financial support for students comes from the current system of learner loans and grants designed for their needs. The flow chart attached at Annex B sets out the approach to training as part of claimant conditionality within Universal Credit.

Universal Credit claimants within the All Work-Related Requirements (AWRR) group must meet the work-related requirements agreed with their Work Coach. These requirements can include participation in training to address a skills gap if this will improve the claimant's prospects of moving into work. Where this is the case, and in agreement with their work coach, the learning can be treated as a work preparation requirement and the time spent on the course can be deducted from the hours the claimant is expected to carry out work search activity. There are also exemptions for students who have needs that are not met through the support system, such as those responsible for a child.

Where a training need is identified, claimants subject to conditionality can participate in part time training for any level or duration of course to improve the prospects of entering employment in agreement with their Work Coach.

Additionally, through DWP Train and Progress UC claimants can access and participate in full-time work-related training up to Level 3 for up to 16 weeks. This initiative permits claimants to upskill through UK Government funded opportunities such as Skills Bootcamps, Level 3 courses as part of the Lifetime Skills Guarantee and the equivalent delivered by both the Scottish and Welsh Governments, without losing their entitlement. We are delighted to say that on 21 Feb a written statement ([HCWS612](#)) was laid by the Minister for Employment, announcing the expansion of this training flexibility until April 2023.

We remain keen that our claimants – in and out of work – are able to benefit from the skills support available through the [Lifetime Skills Guarantee](#), this government's long-term commitment to help everyone gain skills for life.

Furthermore, the UK Government has put into place a substantial employment and skills offer in the round. This includes opportunities which are supporting our claimants to develop the work-related skills they need on their journey into employment, including in new sectors such as:

- Sector-based Work Academy Programme;
- Traineeships and Apprenticeships

The Sector-based Work Academy Programme (SWAP) offers training, work experience and a guaranteed job interview to those ready to start a job. It allows people to learn the skills and behaviours that employers in particular industries look for.

SWAPs are designed to support unemployed benefit claimants on Universal Credit, Jobseeker's Allowance, or Employment and Support Allowance, who are aged 18 years and over and who do not need extra support to address a lack of basic employability skills. Participants remain on benefits during their placement.

The Department for Work and Pensions and the Department for Education are working together and engaging with trade bodies and employers to develop the first-ever occupational traineeships in sectors such as construction, transport & logistics, health & science, manufacturing, hospitality & catering, hair & beauty and net-zero & green. Through working collaboratively on this range of policies and others including the Employment and Skills Pathfinders announced in the [Levelling Up White Paper](#), we have achieved much to improve delivery of employment and skills support and remain committed to continuing this trajectory moving forward.

### Lifelong Loan Entitlement

You also raised the point on how we can support access to training for people of all ages. In September 2020, the Prime Minister announced plans to introduce a Lifelong Loan Entitlement (LLE) as part of the Lifetime Skills Guarantee. This will provide individuals with a loan entitlement to the equivalent of four years of post-18 education to use over their lifetime, giving people the opportunity to study, train, retrain and upskill throughout their lives to respond to changing skills

needs and employment patterns. You will have seen that the consultation on the LLE was published on 24 February, and thank you for your contributions to the LLE roundtable that we held on the 9 March, which will feed into that consultation.

### Employment and Skills support for young people

You highlighted your particular interest in the employment and skills support offer for young claimants, particularly for young people at not in employment, education or training (NEET).

As you will be aware, the House of Lords Select Committee on Youth Unemployment considered education, skills and employment support for young people. The [Government's response](#) to the Committee's report, '[Skills for every young person](#)' was published on 17<sup>th</sup> March 2022 which sets out the broad Government approach

The DWP Youth Offer and wider support available to young claimants is set out in more detail at Annex B.

DWP would be delighted to welcome you at a local Jobcentre and DWP Youth Hub to see for yourself how claimants are being proactively supported to achieve their full potential through education, training, employability and employment support tailored to the individual. We will ensure a copy of this letter is placed in the House library.

Yours sincerely,



**BARONESS STEDMAN-SCOTT**

**Minister for Work and Pensions (Lords)  
Minister for Women (FCDO)**



**MIMS DAVIES, MP**

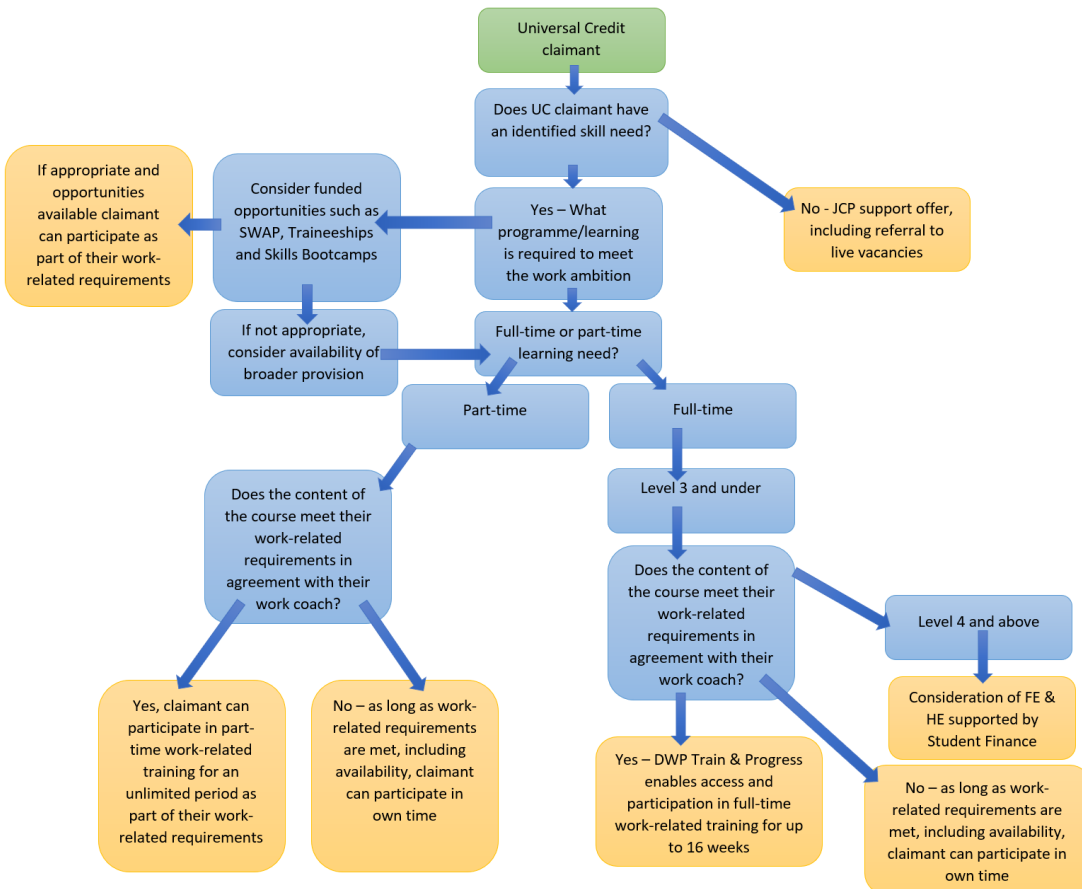
**Minister for Employment**



**BARONESS BARRAN**

**Parliamentary Under-Secretary of State  
for the School System**

# Annex A -



## **Annex B – Supporting young people into work**

The Government's Plan for Jobs is delivering a comprehensive package of employment support, which the Department for Work and Pensions is providing in collaboration with the Department for Education and National Careers Service in England, the devolved administrations, and other partners.

Our demand-led Support for Schools programme is providing early intervention for young people aged 12 to 18 who are at particular risk of being Not in Education, Employment or Training (NEET), including those with Special Educational Needs and/or disabilities.

The DWP Youth Offer is part of the wider UK government's Plan for Jobs and offers intensive work search support to young people aged 16 to 24 on Universal Credit and in the Intensive Work Search group.

- The DWP Youth Offer provides intensive work coach support through the Youth Employment Programme, Youth Employability Coaches for young people with additional barriers to work, and over 160 Youth Hubs open across England, Scotland, and Wales (with at least one Youth Hub in every JobcentrePlus district).
- Youth Hubs are co-located and co-delivered with our network of external partners to support young people with skills gaps and bring them closer to labour market opportunities. We are engaging with over 600 partners who are working jointly with DWP in Youth Hubs.
- Our Youth Employability Coaches are providing flexible support to young people with significant complex needs and barriers to help them move into employment. Youth Employability Coaches work closely alongside Disability Employment Advisors who specialise in helping claimants who have a disability or a health condition.

As of 15 March 2022, over 152,000 16 – 24 year olds at risk of long-term unemployment had started a Kickstart job.

We continue to deliver our Mentoring Circles programme for 16 – 24 year olds giving young people opportunity to build on their employability skills by facilitating interaction with employers.

The Government is also continuing to expand traineeships, funding up to 72,000 places over the next 3 years, including more occupational traineeships which are specifically designed to support young people into apprenticeships in key industries. Along with extending incentive payments to employers, this will help young people, have access to high quality training and apprenticeship opportunities.

This is alongside DWP's broader support that's also available to young people, including:

- double the number of work coaches providing individually tailored support
- support to develop skills necessary to enter and progress in work – through DWP Train and Progress.
- the expansion of Sector-based Work Academy Programmes available in England and Scotland
- the Restart scheme which offers a fresh start to people who have been unemployed for over 9 months
- delivery of the Work and Health Programme to help people with disabilities or disadvantaged groups to enter into and stay in work
- Access to Work providing personalised support to disabled people and those with a mental health condition.
- the Flexible Support Fund to overcome barriers that prevent people from finding a job.

Our experienced and well-trained work coaches have access to tools that help them understand vacancies, opportunities and skills needs. They are well versed in collaborating with their local partners, which is critical in the effort to stand up opportunities for youth employment and support.