

In Work Progression

An employer's guide

The Department for Work and Pensions is committed to supporting Universal Credit Claimants to increase their earnings. We want everyone to be able to find a job, progress in work and thrive in the labour market, whoever they are and wherever they live.

The Jobcentre Plus network means that DWP is well placed to:

- Build a national, but locally tailored, support offer for in-work claimants
- Provide upskilling and other provision for those already in work
- Build effective partnerships at national and local level with a focus on progression

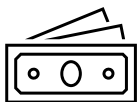
The key aims of the offer are to support people to:

- Increase their earnings
- Provide access to skills and vocational provision
- Gain better paid, higher quality of work.

How Employers can help with In Work Progression



- Do you have capacity to provide more contracted hours?
- Are you able to provide a more stable contract?



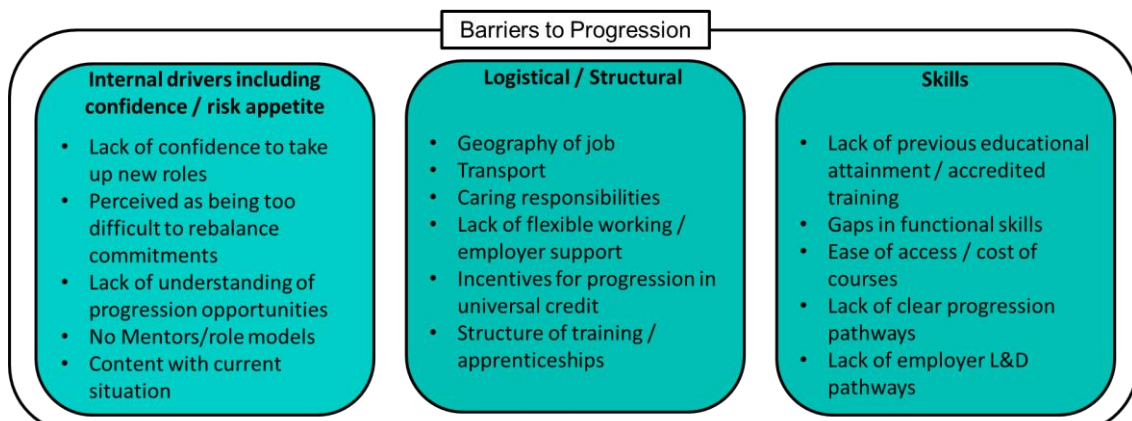
- Can you provide an increase in hourly earnings?
- Are there opportunities for promotion or a move with greater prospects of progression?



- Are there areas where your workforce could be upskilled to increase their earnings?
- Could you offer inhouse upskilling or allow time off for employees to attend external training?

Why Focus on In Work Progression?

In 2019, the Department for Work and Pensions commissioned Ipsos MORI to produce the Future Cohort Survey. The survey looked at barriers to progression and identified 3 key categories:-



How Universal Credit can help your business

- Universal Credit means the 16 hour rule no longer applies, so staff can increase their hours and no longer worry about losing their benefit.
- Universal Credit gives jobseekers the opportunity to improve digital and budgeting skills, giving employers access to a wider pool of better prepared applicants.
- Universal Credit gives jobseekers the flexibility to consider short term work - as they'll know their claim stays open and their benefit payment will adjust accordingly.
- Universal Credit helps parents by offering more generous childcare support, helping them to not only move into work but increase their hours and availability.
- Universal Credit gives employers the opportunity to use existing part time staff for overtime and extra shifts at peak times.
- Universal Credit means you can give your staff extra shifts and responsibilities. This enables existing employees to increase their skills and progress within your company - encouraging retention and a long term reduction in recruitment costs.
- Universal Credit payments are calculated using the PAYE real time information you send to HMRC. A simpler and more accurate system - which means you will get fewer wage enquiries.

Universal Credit increases the financial incentive of work and provides employers like you with a more flexible workforce.

UC Universal Credit
Opening up work

There is no limit to how many hours a claimant can work. This means that Universal Credit will not necessarily be stopped if they -

- work extra hours
- have more than one job
- get bonus payments
- are on a zero-hours contract
- get overtime



Guidance
Universal Credit: information for employers

www.gov.uk/guidance/universal-credit-information-for-employers

Illustrative Example of Universal Credit Taper

	Out of Work	In Work with earnings £650.00	In Work with earnings £1000.00
Single Person with Housing costs			
Standard Allowance	334.91	334.91	334.91
Housing	500.01	500.01	500.01
Total	834.92	834.92	834.92
Earnings Rec'd		650.00	1000.00
Work Deduction		357.50	550.00
UC Award	£834.92	£477.42	£284.92
Household Income Total	£834.92	£1127.42	£1284.92
Additional Income over UC	£0.00	£292.50	£450.00

Universal credit award decreases by taper rate as earnings increase

Will always be better off the more that is earned

Helping Parents

HELP PAYING FOR YOUR CHILDCARE

Government help with childcare costs for parents. Whether you have toddlers or teens, you could get support.

Universal Credit supports working parents by offering more generous childcare support.

The Child Care Choices site is a good resource to calculate what your employee could be entitled to.

For children under 17

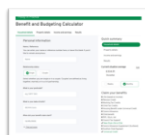
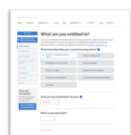
Receive up to 85% of eligible childcare costs. They could receive

- Up to £951 per month for one child
- Up to £1,630 per month for 2 or more.
- We can also pay for up-front Childcare costs to support when starting or increasing work.

Childcare Choices
www.childcarechoices.gov.uk



Benefits Calculators can illustrate how employees can be better off working more hours



Benefits calculators

www.gov.uk/benefits-calculators

Becoming Disability confident and using Access to Work can really support employees with health conditions to stay in work



Guidance
Access to Work factsheet for employers
Updated 9 May 2022

www.gov.uk

disability confident

www.disabilityconfident.campaign.gov.uk/



We are keen to discuss how we can help you as well as the benefits of In Work progression for your employees and business.

**Please contact your District Provision Lead : Shane Norman, Surrey & Sussex District
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