

House of Commons

[Work and Pensions Committee](#)

**EMBARGOED until Wednesday 19<sup>th</sup> July**

## **Work and Pensions Committee calls for more employment support to address economic inactivity**

**Support for helping people into work should be widened to those not on benefits, with a new scheme developed to encourage people to set up their own businesses. The Committee also calls for more focus to be given to measures to help young people, the over 50s and people with disabilities and long-term health conditions find and stay in work.**

The recommendations in today's Report from the House of Commons **Work and Pensions Committee** follow a year-long inquiry into the Government's Plan for Jobs and employment support measures—both those introduced since the start of the Covid-19 pandemic and wider schemes.

The Report concludes that while the Government's initiatives have had some success, they have not been able to reverse the significant increase in economic inactivity since the start of the pandemic. The number of working-age people neither in paid work nor actively looking for work peaked at more than nine million (21.7%) in May–July 2022.

### **Widening eligibility**

The Committee is concerned by the number of people who are not in work but are capable of working and it calls on the Government to expand the eligibility of future support programmes to include people who are not in receipt of benefits but meet the programme's other eligibility requirements. Both Kickstart and Restart have recorded substantial programme underspends, with the unused money returned to the Treasury.

### **Person-centred support, focussed on getting people into sustainable employment**

The Committee also calls on DWP to pilot the US Jobs Plus programme as a more person-centred approach to support. Jobs Plus is delivered by housing authorities in the US and aims to increase earnings and advance employment outcomes by providing a wide range of support in areas including work readiness, employer linkages, job placement and counselling, educational advancement, technology skills, and financial literacy.

The Committee recommends continued support beyond securing employment for people with complex barriers to employment or those who have been unemployed for a long time, with help only withdrawn gradually over three to six months as they establish themselves at work.

### **Devolving delivery of support**

As previously recommended, the Committee proposes that the delivery of support is devolved to groups of local authorities, to make the most of local knowledge and expertise, better tailor help to the individual and help meet local vacancy needs.

### **Supporting self-employed people**

On support for the self-employed, the Committee calls on the Government to design a new self-employment support programme to replace the withdrawn New Enterprise Allowance (NEA) as many people would benefit from the opportunity to start their own business.

## **Young people, older people and disabled people**

To help young people, especially following a steep rise in mental health problems following the pandemic, the Report makes the case for mental health support to be built into future programmes with dedicated funding for Youth Hubs.

The Committee makes several recommendations to improve support for older people and those with disabilities, including that DWP should produce a hiring guide to encourage flexible working.

**Rt Hon Sir Stephen Timms MP, Chair of the Work and Pensions Committee, said:**

“Helping more people find and stay in work will both transform the lives of those securing a job and benefit employers struggling to fill vacancies. The Government needs a fresh approach to employment support, widening eligibility to people outside the benefit system and responding to the particular problems of younger and older workers and people with disabilities—groups particularly affected by the pandemic.

“The Government should also develop a new self-employment support scheme. For many people, including older people and disabled people, starting a business could return them to the labour market.”

For a full list of the Committee’s conclusions and recommendations see page 80 of the Report.

ENDS

**Committee Membership:** Rt Hon Sir Stephen Timms MP (Lab, East Ham), Debbie Abrahams MP (Lab, Oldham East and Saddleworth), Shaun Bailey MP (Con, West Bromwich West), Siobhan Baillie MP (Con, Stroud), Neil Coyle MP (Labour, Bermondsey and Old Southwark), Steve McCabe MP (Lab, Selly Oak), Nigel Mills MP (Con, Amber Valley), Selaine Saxby MP (Con, North Devon), Dr Ben Spencer MP (Con, Runnymede and Weybridge), David Linden MP (SNP, Glasgow East) and Rt Hon Sir Desmond Swayne MP (Con, New Forest West)

**Specific Committee Information:** [workpencom@parliament.uk](mailto:workpencom@parliament.uk) / 020 7219 2370

**Media Information:** Oliver Florence [florenceo@parliament.uk](mailto:florenceo@parliament.uk) / 07720 202 985

**Committee Website:** <https://committees.parliament.uk/committee/164/work-and-pensions-committee>

**Twitter:** @CommonsWorkPen

**Data protection:** Your personal data will be processed by the House of Commons in accordance with the provisions of the UK General Data Protection Regulation and the Data Protection Act 2018. The House of Commons requires your details in order to keep you updated about the work of Select Committees, and our lawful basis is that it is in our legitimate interest. Full details of how your data will be used can be found in this general privacy notice [here](#). Your data will be held until you let us know that you wish to [unsubscribe](#) by following the link.

### **Accessibility**

We welcome all visitors to UK Parliament and offer a range of facilities to help you during your visit. For queries regarding access and mobility, please contact: [workpencom@parliament.uk](mailto:workpencom@parliament.uk)