

Better engagement for better outcomes

Taking a rapid test and learn approach to engagement with people out of work due to disabilities and poor health

Policy briefing | Tom Pollard | August 2024

Summary

This briefing sets out a proposal for a new Engagement Innovation Unit within the Department for Work and Pensions (DWP) to deliver a rapid test and learn approach to improving voluntary engagement with employment support for people who are currently exempt from conditionality due to disabilities and poor health. By operating with agility and independence, and against the grain of usual DWP norms and procedures, this unit could quickly begin to establish the most effective ways to encourage people to engage with employment support and how to get the best outcomes from this engagement.

Context and opportunity

Almost 2.7m people are classified as having Limited Capability for Work Related Activity (LCWRA) on Universal Credit (UC) or Employment and Support Allowance (ESA), meaning they are exempt from conditionality. Only around 4% of this group move into work each year.¹ DWP has had little success in improving these outcomes or building evidence on what might help to engage more people in employment support on a voluntary basis.

Moving more people into the scope of conditionality (as the outgoing government suggested it would do) would require changes to regulations, guidance and training; would face resistance from representative organisations; and, based on past experiences, would be unlikely to significantly improve outcomes. Another 500k people are classified as having Limited Capability for Work and can be required to undertake “work related activity”, but job outcomes are only marginally better than for those exempt from all conditionality.²

¹ Less than 1% of people in the ESA support group (equivalent to the UC LCWRA group) leave the benefit each month and less than 30% of these people move into work. Source: Department for Work and Pensions. (2021). *Shaping Future Support: The Health and Disability Green Paper, evidence pack*.

<https://www.gov.uk/government/statistics/shaping-future-support-the-health-and-disability-green-paper-evidence-pack-july-2021>

² Ibid

However, looking to increase voluntary engagement with employment support offers a path to more rapid and significant results. DWP could do much more to offer voluntary support those exempt from conditionality, but would need to overcome the distrust, and wariness of risking their benefit entitlement, that many in this group experience..

The new Labour team at DWP could quickly begin to improve voluntary engagement through a rapid and iterative test and learn approach. In the short-term this could quickly begin to demonstrate the potential to increase job outcomes for this group without resorting to conditionality. This could help to respond to potential Treasury pressure to proceed with plans to tighten eligibility for the Work Capability Assessment, which could otherwise be portrayed as the only viable path to managing rising costs.

In the medium term, this approach could inform and shape devolved delivery of employment support for this group, which may ultimately offer the most fertile opportunities for voluntary engagement. It could also be applied to a wider cohort subjected to limited conditionality, including parents of young children and carers.

In the longer-term it could improve practice and outcomes for everyone supported by DWP, bolstering the case for a focus on fostering engagement as the primary objective, only resorting to more prescriptive conditionality if the need for it is clearly demonstrated.

Thinking and practice this proposal draws on

This proposal builds on previous NEF research on conditionality in the benefits system, which suggested that there were significant gains to be made, in terms of both experiences and outcomes, from fostering genuine engagement with support rather than relying on enforcing compliance.³ Within this framing, exemption from conditionality due to disability and health should not be seen as a barrier to proactively offering voluntary support.

Although it is not currently explicitly framed as a “mission” by the new government, the challenge of reducing levels of economic inactivity due to disability and health is a strong candidate to be treated as such. It is a huge, complex, long-term challenge that will require concerted action across, government, civil society and the private sector, and will play a critical role if Labour is to fulfil its ambition of an 80% employment rate.

Fostering voluntary and effective engagement with employment support would be a critical element of delivering on this mission. Our proposal aligns closely with what has been written about “mission-driven government”, in particular taking an agile and experimental

³ Pollard, T. (2024). *Terms of Engagement: Rethinking conditionality to support more people into better jobs*. New Economics Foundation. https://neweconomics.org/uploads/files/NEF_TERMS-OF-ENGAGEMENT-FINAL.pdf

approach to policy that draws on innovative, user-centred service design methodology, behavioural science, digital technology and sophisticated data collection and analysis.⁴

This approach is about changing how government acts rather than just what it is trying to deliver. Missions cannot be delivered through linear waterfall-type design and delivery – instead they will require rapid testing and learning, with tight feedback loops that support iteration and fine tuning, designed and delivered by multi-disciplinary teams.⁵

Much of the recent debate about delivering more relational public service has focused on how the intrinsic motivations of both those delivering and using services can be better harnessed through greater levels of autonomy and trust.⁶ People’s interactions with DWP are often seen primarily through the lens of meeting obligations, but a more balanced and supportive relationship should also lead to better employment outcomes.⁷

In the specific context of UK employment support, there have been some initial promising attempts to use behavioural insights to change aspects of the environment and interactions in jobcentres to improve the quality of engagement, in part by explicitly moving away from a focus on compliance.⁸ In the U.S., work has been undertaken to change the “institutional body language” of government employment support to improve the quality of engagement.⁹

⁴ Mazzucato, M. et al (2024). *Mission Critical 01: Statecraft for the 21st century*. Future Governance Forum and UCL Institute for Innovation and Public Purpose. <https://www.futuregovernanceforum.co.uk/wp-content/uploads/2024/05/Mission-Critical-01-Statecraft-for-the-21st-century-1.pdf>;

Gurumurthy, R., Owen, J., Burns, A., & Norris, E.(2024). *Mission-driven government: What does a ‘mission-driven’ approach to government mean and how can it be delivered?*. Nesta and Institute for Government. https://media.nesta.org.uk/documents/What_does_a_mission-driven_approach_to_government_mean_and_how_can_it_be_delivered.pdf

⁵ Greenway, A. & Loosemore T. (2024). *The Radical How*. Nesta and Public Digital – Options 2040. <https://options2040.co.uk/wp-content/uploads/2024/02/The-Radical-How.pdf>

⁶ Quilter-Pinner, H., & Khan, H. (2023). *Great government: A new playbook for public service reform*. IPPR. <https://www.ippr.org/articles/great-government-a-new-playbook-for-public-service-reform>;

Glover, B. (2024). *Liberated public services: A new vision for citizens, professionals and policy makers*. Demos. <https://demos.co.uk/research/liberated-public-services-a-new-vision-for-citizens-professionals-and-policy-makers/>

⁷ Pollard, T. (2024). *Terms of engagement: Rethinking conditionality to support more people into better jobs*. <https://neweconomics.org/2024/07/terms-of-engagement>

⁸ Briscese, G. & Tan, C. (2018) *Applying Behavioural Insights to Labour Markets: How behavioural insights can improve employment policies and programmes*. The Behavioural Insights Team. <https://www.bi.team/wp-content/uploads/2018/11/TheBehaviouralInsightsTeam-LabourMarketsReport.pdf>

⁹ Hamilton, V. (2023) *Can a government be empathetic? An appeal to change your ‘institutional body language’*. Apolitical. <https://apolitical.co/solution-articles/en/can-a-government-be-empathetic>

Proposed approach

A DWP Engagement Innovation Unit (EIU) should be set up to test different approaches to encouraging and supporting people not subject to conditionality to engage on a voluntary basis, and then explore what type of support best facilitates positive outcomes. Rather than commissioning rigid trials of pre-designed programmes of support, this should entail rapidly iterating interventions based on feedback loops of quantitative and qualitative data. Effective approaches should be continually rolled out into wider DWP practice.

DWP's employment support evidence mostly consists of evaluations of full programmes - looking at final headline outcomes with some light digging to explore what contributed to these, but often only drawing broad and tentative conclusions. Much of DWP and jobcentre practice is driven by a sense of "that's just how things are done". What is needed is a much more granular account of what helps and hinders good experiences and outcomes.

The EIU would be a multi disciplinary team, working closely together to design, test, evaluate and evolve new approaches to improve engagement. At the heart of the team would be a set of jobcentre work coaches with experience around disability and health - possibly beginning with as few as ten but expanding over time. These work coaches would be asked to try different ways of engaging with people along the user journey to optimise experiences and outcomes. They would be supported to practise in a highly reflective way - recording and sharing learning on a daily basis in a group setting.

The EIU would also consist of a team leader to support and coordinate the work coaches; analysts who would gather, explore and present the data and evidence emerging from the team's work; experts in behavioural insights, psychology and service design (DWP already has some of this capacity internally, including its [Employment Data Lab](#), but could also look to draw on expertise and capacity from the [Behavioural Insights Team](#) and [Policy Lab](#)) to guide the testing and how it is iterated over time; and policy staff who would translate the learning from the EIU into shifts in policy and practice across the department.

Although establishing such a team would require some up-front investment, resource could be shifted from other employment support schemes that do not provide the same level of granular evidence and deep insights. As well as the direct savings from improved outcomes among those supported via the EIU, there would be a much stronger foundation to build on, enhance and scale this approach, compared to programmes typically commissioned by DWP that lead to moderate results and broad-brush evaluations.

The EIU should target a specific geographical location and recruit work coaches who can work from a jobcentre office there, so they can meet with people who agree to engage with support. Ideally, an alternative local venue should also be made available, as a comparator to the current jobcentre environment, where different layouts and facilities can be tested.

Over time, it would be useful to expand the EIU to encompass a comparator team within a mayoral combined authority, since it is these areas that are currently at the forefront of plans to devolve employment support. This would allow exploration of whether having local government or third sector professionals in the work coach role leads to better engagement, as a result of their skills and experience, their knowledge of and connection to a range of other local services, and how they are perceived due to their non-DWP status.

The testing of different aspects of the user journey could be rolled out in a staggered way. This would ensure the work can start as quickly as possible and iteratively build and develop the quality of the user journey as people progress through it. An initial proposal for what this might look like is set out below, but in practice it should be adapted and iterated.

Phase one: Getting someone 'through the door'

The quickest and easiest way to initiate a rapid and iterative test and learn approach would be to begin by focusing on how people can be encouraged to simply attend a meeting to discuss employment support. This is vital both in order to test and develop later stages of the user journey and because it may be that this is the most difficult hurdle to overcome.

The testing should be informed by deliberative service design work with people currently classified as LCWRA to explore why they currently struggle or are reticent to engage. DWP tends to commission out such interactions with people on benefits but it will be essential for the EIU to have a more ad hoc and direct ability to consult with people with whom it is trying to improve engagement. Testing in this phase could include:

- A/B testing what sort of messages and means of contact (phone, text, email, letter etc) are most likely to elicit a positive response and allow for further communication.
- Exploring what can be done in the first exchanges to persuade someone that it would be a safe, positive and entirely voluntary experience to meet with a work coach.
- Identifying what range of options (timings, location, online/in-person etc) is most likely to lead to a meeting being agreed and which specific options are most popular.

The wider team of experts in service design, behavioural insights and data collection and analysis would support work coaches to both test specific interventions and distil what elements of their personal approaches are having a positive or negative impact. Evidence and insights would be captured and implications for wider policy and training drawn out. This could include daily team debriefs and analysis of transcripts and outcomes using AI. Feedback from those supported should also be gathered to inform ongoing evaluation.

Phase two: Making the first meeting count

The next phase should test different ways of approaching the first meeting to discuss someone's situation and what support might be helpful to them. The key measure of success

for this meeting would be whether someone wants to continue to engage with support, but also whether they come away thinking it was useful and feeling more optimistic about their prospects of being supported to move towards work and, ultimately, find an appropriate and fulfilling job. Again, it would be important to begin this work by gaining deliberative insights from the type of people work coaches will be looking to support about what they would want from this first meeting. Aspects to be tested could include:

- Whether the arrangements for this meeting made in the first contact (i.e. where and how it takes place) seem to impact on the outcome.
- The length of the meeting, what is covered and balance between different topics (i.e. “getting to know you”, previous work experience, specific support needs etc).
- What sort of plan is drawn up at the end of the meeting (if any, beyond a potential next meeting), how specific this is, how it is agreed, whether it is signed etc.

As the focus shifts to establishing and maintaining a relationship, the testing will need to capture and evaluate qualitative aspects of how a work coach is interacting with the person they are supporting. This could involve observed or recorded appointments, reflective note keeping and group discussions with work coaches and other EIU team members.

Given that the scope will have expanded from getting someone through the door to effectively supporting them, it would be particularly helpful to bring in additional expertise to help develop the knowledge and skills of work coaches and test the impact of this. This could include specialists from particularly successful employment schemes or services focused on this cohort, as well as experts in particular skills such as “motivational interviewing”. As mentioned previously, it would be useful to have the ability and resource to reshape the environment in which people are being met to test the impact of this.

Evaluation of this phase would involve carefully recording and analysing what makes for a successful first meeting and could include a follow-up questionnaire with those supported to gauge the quality of their experience and what they think shaped this. Learning should be used to shape subsequent phases but also to reiterate phase one, for example trying to steer people towards arrangements for the first meeting that seem to be most effective (e.g. face-to-face rather than online). This phase could also test how much difference it makes to have the same person make the first contact and hold the first meeting, as this will shape both the ideal user journey but also how the EIU needs to operate to test different phases.

Phase three: Sustaining engagement and achieving outcomes

In practice, this phase may need to be split into multiple sub-phases, but it essentially covers the period from the initial meeting until someone either manages to find work or disengages from support and an examination of why either of these outcomes occurs. It is therefore

about what keeps someone engaged with support and what increases the likelihood of a positive outcome. Things that could be tested include:

- Aspects of the ongoing relationship such as frequency of contact, the nature of communication between meetings, and how much the work coach steers this.
- The impact of different features of support, such as coaching, support around skills and training, a specific focus on work search and preparation and help to address wider issues, for example around health and housing.
- The impact of greater financial and procedural incentives such as keeping the LCWRA component for period when in work and being guaranteed that working won't impact on LCWRA status for a minimum period of time.

As with phase two, as the scope of engagement expands, the testing and evaluation of different approaches will need to be more creative and nuanced. One key tool could be to monitor the perceived quality of engagement on both sides of the relationship through a measurement such as a working alliance, which has been shown to be predictive of positive outcomes in an employment support setting.¹⁰ Attention should be paid to the quality of job outcomes, with longer-term tracking of whether someone stays in work, whether they progress, and how their health fares. This should be connected back to the type of support people have received, to look for connections. The test and learn approach could also be extended to how someone can be effectively supported once they are in work.

As the EIU develops, consideration should also be given to how the impact of wider support services, beyond direct contact with the work coach, can be evaluated and incorporated into the test and learn approach. The availability and quality of such services will vary significantly by place, but the approach and capabilities of the EIU could help to create a taxonomy of the key components and characteristics of a local ecosystem of support.

Analysis required across all three phases

Across these phases of the user journey, it would be important to explore how the characteristics and circumstances of the people being supported impacts on their level of engagement, the likelihood of positive outcomes, and what helps them to achieve these. This could include factors such as their health conditions and disabilities, ethnicity, age, gender, previous work experience, length of time on benefits etc. These insights could help to shape tailored approaches to engaging with people depending on their circumstances.

Similarly, the characteristics and experience of the work coaches involved should be considered as key variables in order to establish what helps certain work coaches to be more

¹⁰ Ravn, R. L., & Bredgaard, T. (2021). Relationships Matter – The Impact of Working Alliances in Employment Services. *Social Policy and Society*, 20(3), 418–435. [doi:10.1017/S1474746420000470](https://doi.org/10.1017/S1474746420000470)

effective at supporting different types of people. This would need to be a dynamic assessment, looking at how work coaches develop over time through gaining experience and being supported to acquire new skills and knowledge. All of this could shape an assessment of the workforce needs to effectively support people with additional barriers.

Challenges to implementing this approach

The institutional instinct within DWP will be to claim that this work is already being done through (or could easily be incorporated into) other streams, teams and programmes. In reality, the EIU would need to have operational independence from existing structures in order to function effectively, as it could be seen as a threat internally and would need protection. This would need to derive from a clear link to ministers (particularly the new minister for employment) and special advisors. Having designated contacts in the Cabinet Office and Treasury would bring an external perspective and additional gravitas. It will also be important to have a senior DWP civil servant with strong buy-in overseeing the EIU.

The direct link to ministers and special advisors will mean that they can be kept directly informed of progress, rather than this being subsumed and mediated by wider departmental updates. They could also help to drive an ongoing process of rolling out insights from the EIU into wider departmental practice. The EIU should be producing substantive findings within its first few months of operation, establishing a vastly improved user journey for this group within six months, and successfully supporting an improved rate of this cohort into work (based on a broad and deep range of transferable insights) by the end of its first year.

Scaling up the findings and approaches emerging from the EIU will require an up-front agreement to extend its scale and reach should it prove successful at improving rates of voluntary engagement and outcomes among this cohort. It could expand to cover a whole region, while also looking to share best practice across DWP. Since it will not be possible to take all work coaches on the same learning journey as those involved in the EIU from the start, it will be important to think about the institutional norms, environment, procedures and incentives that will allow and encourage best practice and ongoing improvements.

New Economics Foundation
www.neweconomics.org
info@neweconomics.org
+44 (0)20 7820 6300

NEF is a charitable think tank. We are wholly independent of political parties and committed to being transparent about how we are funded.

Registered charity number 1055254
© 2024 The New Economics Foundation