

An employability glossary for Scotland



Scottish Homelessness and Employability Network – an Employability Glossary for Scotland



Employability is part of the Scottish Government's strategy for the prevention and alleviation of homelessness and is a key focus of welfare reform and anti-poverty policies which have emerged from the UK and Scottish Governments.

SHEN works to promote employability as a sustainable route out of homelessness and to raise awareness of the issues faced by homeless people when moving towards or being moved towards the labour market.

This glossary is designed to help you through the maze of terms, acronyms and specialist meanings which link welfare reform, benefits provision and employability. It is intended to give you some short-cuts to understanding the new policy documents which emerge regularly from the DWP, as well as the day-to-day management of employability issues with Jobcentre Plus and service providers.

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Terms	Definition	Further references
Anti-Poverty Framework	Sets out the Scottish Government's policy towards income inequality and poverty. Published in 2008 after consultation.	Achieving Our Potential: A Framework to tackle poverty and income inequality in Scotland http://www.scotland.gov.uk/Publications/2008/11/20103815/0 and http://79.170.40.178/shen-scotland.org/webpages/researchpolicy.htm
Better Off In Work Calculation	The process for producing accurate estimates of how much better off a benefit claimant could be in work. The calculation is based on information supplied by the customer and works out potential in-work benefits and Tax Credits. There are several online tools available.	http://www.direct.gov.uk/en/Dio1/DoltOnline/DoltOnlineByCategory/DG_172666
Black Box approach	The coalition government has committed to taking a "black box" approach to commissioning employment programmes. This means that it will avoid over specified contracts and will seek to identify outcomes, not design specific initiatives, via its Framework Agreement. The Work Programme has commissioned on a 'black box basis.' Essentially this means payment is for results rather than a prescribed process.	
BoND	Building on the New Deal: a 2004 UK government report which outlined how welfare to work support could be administered.	DWP (2004) Building on the New Deal: Local solutions meeting individual needs:
Cities Strategy	A DWP initiative which addresses problems of local labour market entry through consortia of local employment providers and partners. Pathfinder areas were granted specific flexibilities by the DWP.	The Scottish pathfinder cities - Dundee, Edinburgh and Glasgow, have published their expressions of interest on http://www.dwp.gov.uk/welfarereform/cities_strategy.asp
Condition Management Programmes	Condition Management Programmes (CMP) were provided by the NHS to Incapacity Benefit (IB) and Employment & Support Allowance (ESA) claimants on Pathways to Work programmes. Pathways to Work has been phased out.	
Consumer Price Index	<p>A consumer price index (CPI) measures changes in the price level of consumer goods and services purchased by households. The CPI is defined by the United States Bureau of Labor Statistics as "a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services."</p> <p>The CPI is a statistical estimate constructed using the prices of a sample of representative items whose prices are collected periodically. Sub-indexes and</p>	

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	<p>sub-sub-indexes are computed for different categories and sub-categories of goods and services, being combined to produce the overall index with weights reflecting their shares in the total of the consumer expenditures covered by the index.</p> <p>From April 2011 welfare benefits have been up-rated in relation to CPI rather than the Retail Price Index (RPI) generally meaning a significantly lower increase as the CPI does not include housing costs.</p>	
Concordat	Agreed between the Scottish Government and Scottish councils in 2007, it underpins the Single Outcome Agreements (SOAs) and empowers local decision making on funding priorities.	
Conditionality	Welfare Reform has at its core the idea that welfare benefits are conditional upon claimants' efforts to move towards and enter the job market. Claimants may be subject to sanctions if they fail to comply with the conditional terms of their benefits.	http://www.dwp.gov.uk/conditionality/
Community Planning Partnerships	Community Planning Partnerships (CPPs) provide a local framework for initiatives and partnerships in the field of economic development and community services.	
Council Tax Benefit	Council Tax Benefit (CTB) is a passported benefit paid to welfare benefit claimants and some low-paid workers.	
Closing the Opportunities Gap	Closing the Opportunities Gap (CtOG) was the Scottish Executive's programme for social inclusion and to combat poverty. Launched in 2004, it was replaced by the Anti-Poverty Framework in 2008.	Scottish Executive (2006) CtOG: Scoping work for design of impact assessment www.scotland.gov.uk/socialresearch
Customer	An individual of working age who uses Jobcentre Plus services for the purposes of returning to work or claiming benefits.	
De-centralisation	The coalition government has proposed a shift from Westminster to local communities, and it is anticipated that new powers will be given to local councils, neighbourhoods and individuals.	
Discretionary Housing Payments	Discretionary Housing Payments (DHPs) provide customers with further financial assistance when a local authority (LA) considers that help with housing costs is needed. There is no automatic entitlement to DHPs; whether or not a claimant receives it is entirely at the discretion of the local authority.	http://www.dwp.gov.uk/docs/dhpguide.pdf
Distance travelled	A method of measuring a client's progress towards employability when few or no hard outcomes (such as qualifications) have been achieved.	Dewson, S. et al (2000) Guide to Measuring Soft Outcomes and Distance Travelled IES, London.
DWP	Department of Work and Pensions: the UK	http://www.dwp.gov.uk/welfarereform/

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	government department responsible for benefits payments, employment services and welfare to work policies.	
Earnings Disregard	The amount of money claimants can earn without it affecting their benefits.	
Employability	The combination of factors and processes which enable people to progress towards employment, to stay in employment and to move on in the workplace.	
Employment & Support Allowance	Employment and Support Allowance (ESA) was introduced as a replacement for Incapacity Benefit (IB) in 2008 for new claimants and will replace all IB claims by March 2014	http://www.dwp.gov.uk/employment-and-support/
Employment Zones	Jobcentre Plus contract out extra support to eligible claimants in areas with high unemployment. Glasgow is the only Employment Zone in Scotland.	
Enterprise Clubs	Enterprise Clubs are a Great Britain wide initiative which aims to support the development of a network of locally-led, community-based support targeted at unemployed people interested in self-employment.	http://www.dwp.gov.uk/policy/welfare-reform/get-britain-working/#enterprise
Fairer Scotland Fund	Scottish Government funding allocated to Community Planning Partnerships (CPPs) for 3 years till 2010 to support individuals and communities in disadvantaged areas. Some CPPs used the fund to focus on employability.	
Flexible New Deal	A DWP programme to deliver personalised employability support for the long-term unemployed and those needing specialist provisions through commissioned services, sanctions may be applied to claimants who fail to meet the conditions of this programme. Flexible New Deal is replaced by the Work Programme.	http://www.dwp.gov.uk/mediacentre/pressreleases/2008/oct/drc103-081008.asp
Freud report	A report to the DWP on welfare reform recommending a specialist agency for employment for those at a disadvantage in the UK labour market. It has implications for the voluntary sector role in employability provision	Freud, David (2007) Reducing dependency, increasing Opportunity: options for the future of welfare to work. Corporate Document Services (CDS), Leeds.
Get Britain Working	The raft of measures set out by the DWP which they see as welfare to work reforms which aim to fight poverty, support the most vulnerable and help people break the cycle of benefit dependency. Jobcentre Plus District Managers have some choice over which measures will be offered in their area based on customer and local labour market characteristics. Therefore not all measures will	http://www.dwp.gov.uk/policy/welfare-reform/get-britain-working/#britain

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	necessarily be available in all areas.	
Get Ready for Work	This programme is run by Skills Development Scotland (SDS) for young unemployed people (16-19) and offers personalised routes into employability and training	Contact SDS on 0141 285 6000.
Hard outcomes	Outcomes such as job entry or qualification which can be objectively quantified. Often used to assess employability schemes, but may not be appropriate for people at a distance from the labour market.	
Housing Benefit	Housing Benefit (HB) is intended for people who need financial help to pay all or part of their rent. Claimants can be out of work, or in work but earning a low wage. Payment of HB is means tested.	
Housing Benefit Run On	HB Run-On enable claimants who enter a job to continue to receive HB (see In and Out of Work)	
Homelessness Monitoring Group	The Homelessness Monitoring Group was set up by the Scottish Executive in 2002 to monitor progress of Homelessness Task Force recommendations. It produced annual reports on progress.	http://www.scotland.gov.uk/Publications/2006/04/19133815/0
Her Majesty's Revenue & Customs	Her Majesty's Revenue and Customs administer in-work tax credits as well as all tax assessments.	
Homelessness Strategy Officers	Homelessness Strategy Officers (HSO) are local authority officers responsible for the development of policies to prevent and alleviate homelessness.	For information on the national HSO group facilitated by the Scottish Council For Single Homeless contact daniel@scsh.org.uk
Homelessness Task Force	The Homelessness Task Force was set up in 1999 and made 59 recommendations in its final report. These form the basis of on-going policy for the prevention and alleviation of homelessness in Scotland	Scottish Executive (2002) Homelessness: an action plan for prevention and effective response: Homelessness Task Force (HTF) Final Report to the Scottish Ministers www.scotland.gov.uk
Incapacity Benefit	Incapacity Benefit (IB) is a weekly payment for people under State Pension age who cannot work because of illness or disability. In 2008 IB was replaced by ESA and full migration will occur by March 2014 with IB no longer existing.	
Income Support	Income Support (IS) is a benefit to help people on a low income, and is for claimants who work less than 16 hours per week and who cannot claim JSA or ESA.	http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On_a_low_income/DG_10018708
In and Out of Work	Piloted by the DWP in 2007, this programme will be rolled out across the UK by 2010, linking Jobcentre Plus, HMRC and local councils. It provides a single information collecting point for claimants, speeding	http://search2.openobjects.com/kbroker/dwp/dwp/search/search.lsim?sr=0&nh=10&cs=iso-8859-1&sc=dwp&sm=0&mt=1&to=0&ha=1092&q

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	up benefits and tax credits claims. (See IWS)	t=In+and+Out+of+Work
Into Work Statements	Into Work Statements are made by claimants who enter the job market. This enables HB run-on and tax credits to be dealt with more quickly (see In and Out of Work)	
Jobcentre Plus	Jobcentre Plus (JCP) is the Department of Work and Pensions (DWP) agency which supports people of working age from welfare into work. It also provides recruitment services for employers.	
Jobseekers Allowance	Job-seekers Allowance (JSA) is the benefit for working-age claimants who are out of work or work less than 16 hours per week. JSA claimants must be available for, capable of, and actively seeking work.	
Leitch Review	Commissioned in 2004 this review recommends that employers, individuals and government invest more in skills development to achieve economic growth and social justice.	HM Treasury (2006) Prosperity for all in the global economy - world class skills. Leitch review of Skills final report. www.Hm-treasury.gov.uk/leitch
Local Housing Allowance	Local Housing Allowance (LHA) is the maximum amount of Housing Benefit people will receive if renting a room or property from a private landlord. LHA rates are set for different types of accommodation in each area. The rates range from a single room in a shared house to properties with 4 bedrooms.	http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On_a_low_income/DG_10018928
Mandatory Work Activity	<p>Mandatory Work Activity (MWA) is aimed at Jobcentre Plus customers who are deemed to be failing to engage with the back to work system. A short period of mandatory work (with sanctions for a failure to comply) is imposed where it is felt that jobseekers conditions are not being met.</p> <p>Referrals under the MWA contract will be made until March 2015 with the last customer starting on a placement on or before 31 March 2015. Following this, there will then be a further four week period for Providers to carry out their service delivery obligations.</p> <p>The MWA payment model will be a 100% Start Fee paid at the start of the placement.</p> <p>The MWA consists of 30 hours per week community placement over 7 days lasting 4 weeks per cycle. Failure to comply with the MWA can incur sanctions from 13 weeks to 3 years. MWA applies to anyone over 18 and under pension age, and those referred are still expected to continue to look for work and sign on as usual. Sanctions will continue to apply</p>	http://www.dwp.gov.uk/docs/eia-mandatory-work-activity.pdf

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	even if there is re –engagement.	
Marginal Deduction Rate	The proportion of an additional £1 income that is lost in increased Income Tax and National Insurance contributions and in reduced benefits and Tax Credit payments.	
More Choices More Chances	The cohort of young people aged 15-19 who are the focus of the More Choices More Chances (MC2) policy (previously known as NEET).	Scottish Executive (2006) More Choices, More Chances: a strategy to reduce the proportion of young people who are not in education, employment or training in Scotland
Modern apprenticeships	For people over 16. Offers paid employed linked with the opportunity to train for jobs at craft, technician and management level.	Contact Skills Development Scotland on 141 285 6000 for more information.
NEET	Young People Not in Education, Employment or Training (now known as MC2)	
New Deal	A programme for unemployed people introduced in 1998. Originally for 16-24 year olds, it was offered to many groups including lone parents, the disabled and the 50+ age group. Replaced by flexible New Deal.	
New Enterprise Allowance	New Enterprise Allowance will help unemployed people who want to start their own business. Jobcentre Plus is now seeking applications from organisations who wish to partner them in delivering mentoring support as part of the rollout of the New Enterprise Allowance, prior to national rollout from autumn 2011. The successful applicants will accept referrals to the New Enterprise Allowance mentoring service for a two year period to 31 March 2013.	http://www.dwp.gov.uk/policy/welfare-reform/get-britain-working/#britain
New Futures Fund Initiative	The New Futures Fund Initiative, promoted by Scottish Enterprise from 1999 to 2006. It offered disadvantaged 16-34 year olds in Scotland access to the job market. Homeless people were a target group for support.	http://www.scottish-enterprise.com/sedotcom_home/stp/extra-support/newfuturesfund1.htm?siblingtoggle=1
Passported benefits	Receipt of JSA and ESA gives access to other benefits (eg HB, free school meals). Loss of JSA or ESA on entering a job can therefore have hidden costs if these benefits are also lost or reduced.	
Pathways to Work	A DWP/Jobcentre Plus programme supporting IB and ESA claimants back into or closer to the labour market that existed until the end of April 2011. New claimants were offered work focused interviews	

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	(WFI), a Condition Management Programme, and £40 per week return to work bonus. The programme was rolled out in Scotland from 2007 and is replaced by the Work Programme and flexible Jobcentre Plus support such as the Get Britain Working measures.	
Personal Adviser (DWP)	Jobcentre Plus staff responsible for planning and monitoring individual employability programmes.	
Personal Independence Payment	The Personal Independence Payment (PIP) will replace Disability Living Allowance from April 2013.	
Primary Supplier	A single organisation that does not deliver provision directly but is contracted to appoint and manage the performance of other organizations as subcontractors to deliver all aspects of the provision specification.	
Prime Contractor	If an organisation chooses to deliver a service via a network of subcontractors, the prime contractor is the main or lead contractor with the buying organisation.	
Procurement	The process of purchasing goods and/or services from identification of need to payment.	
Regeneration	The provision of a sustainable economic future for the most disadvantaged areas creating local opportunities for jobs and training, thus improving skills and employability.	Scottish Executive (2006) People and Place: Regeneration Policy Statement.
Regeneration Outcome Agreements	CPPs managed their grant through 3 year Regeneration Outcome Agreements, which reflected the CtOG priority of regenerating the most disadvantaged neighbourhoods in Scotland. Replaced by SOAs in 2008.	
Sanctions	A sanction is a measure that reduces or cancels benefits, even when there is underlying entitlement. Sanctions can be imposed by a DWP Decision Maker for a fixed period and are imposed as a result of non-conformance to agreements.	
Skills Development Scotland	Skills Development Scotland is responsible for a range of national training programmes. It was formed in 2008 from sections of Scottish Enterprise and Highlands and Islands Enterprise, with Careers Scotland and Learndirect Scotland.	http://www.hie.co.uk/skills-development-scotland.html
Skillseekers	Skillseekers is a training programme for young people who want to develop skills and equip themselves for the world of work. Most young people involved in Skillseekers are in employment, but there are also training places for those having difficulty in finding a job.	www.skillsdevelopmentscotland.co.uk
Service Academies	Organisations which offer pre-employment training and work placements for unemployed people.	
Small &	Small and medium sized enterprises –any business	

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Medium sized Enterprises	employing fewer than 250 staff members.	
Single Outcome Agreements	Single Outcome Agreements between the Scottish Government and Scottish councils outline how local programmes will promote national outcomes. Local councils set their own priorities for funding within a global grant from the Scottish Government in addition to funding from other sources such as Council Tax.	http://www.scotland.gov.uk/Topics/Government/local-government/SOA
Soft indicators	Factors like improved time keeping and communication skills, which indicate the achievement of soft outcomes. They often support subjective assessment of soft outcomes.	
Soft outcomes	Outcomes from employability interventions such as achievements in self-confidence, personal relationships and life skills which cannot be measured directly.	Dewson, S. et al (2000) Guide to Measuring Soft Outcomes and Distance Travelled Institute of Employment Studies, London.
Step Forward Scotland	Step Forward Scotland is an initiative from the Scottish Government and Skills Development Scotland that is committed to helping Scottish businesses and young people aged between 16 and 19.	http://www.skillsdevelopmentscotland.co.uk/step-forward.aspx
Support Group	ESA claimants who are not expected to return to work and will receive long-term support.	http://www.dwp.gov.uk/welfarereform/esa.asp
Tax credits	Administered by HMRC, tax credits are available to low-paid workers to supplement income and give additional support to families with children.	
Tapered withdrawal	The rate at which earnings in excess of a disregard (the amount a claimant can earn without it affecting their benefits) are deducted from a claimants benefits package.	
Universal Credit	Universal Credit (UC) is the all encompassing benefit that will integrate income related out of work benefits payments and tax credits. Universal Credit will apply to those in and out of work. It will supplement household earnings through credit payments reflecting circumstances (including children, housing and disability) and subsume Tax Credits as the form of income top up for families on low earnings. Universal Credit will be introduced from October 2013 with a 4 year transition period. Universal Credit replaces Income JSA, Income ESA, IS, Child Tax Credits, Working Tax Credits, Housing Benefit and the Budgeting Loan elements of the Social Fund. It does not replace DLA, contributory benefits, Child Benefit, Pension Credit or Carer's Allowance.	
Work Capability Assessment	The Work Capability Assessment (WCA) is used to assess all ESA claimants to determine whether they	http://www.dwp.gov.uk/welfarereform/esa.asp

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	fall into the Work-Related Activity or Support Group	
Welfare reform	The Welfare Reform Act 2007 reflects the ideas of "welfare to work". Its underlying principle is that "work is the best form of welfare"; it introduces "personalisation" of employability services but also makes benefits subject to conditionality.	Full details of the Green Paper and its progress to legislation can be found at http://www.dwp.gov.uk/welfarereform/
Work Focused Interview	Work focused Interview (WFI). Benefits claimants are interviewed by Jobcentre Plus at the start of their claim to assess their prospects of entering the job market.	
Work Clubs	Local places where unemployed people can gather to exchange skills, find opportunities, make contacts and provide mutual support.	
Workforce Plus	The Scottish Executive framework for employability, based on local and national partnerships.	Scottish Executive (2006) Workforce Plus: an Employability Framework for Scotland
Work For Yourself	A new programme of support for would be entrepreneurs which will give the unemployed access to business mentors and start up loans.	
Working Future	A pilot programme run in 3 London Boroughs in 2007 to increase employability for lone parents in temporary accommodation, without loss of benefits. (see 16 hour rule)	see www.osw.org.uk/librarydocs/Working_Future_Evaluation.pdf for evaluation
Work Programme	The Work Programme will be an integrated package of support providing personalised help for people who find themselves out of work. It will replace and simplify existing employment programmes from July 2011. There is a 'black box' design with support determined by providers based on the needs of individual rather than being defined by benefit type. Payment to contractors will largely be through job outcome payments rather than process payments. Providers will be given longer to work with customers so that there is a real incentive to invest in customer support. Outcome prices reflect different barriers faced by different customer groups. Most of the contract value lies in sustainment payment and providers will be incentivized to provide effective in-work support for their customers.	http://www.dwp.gov.uk/supplying-dwp/what-we-buy/welfare-to-work-services/work-programme/
Work-Related Activity Group	ESA claimants who are expected to undertake employability activities with the aim of returning to work.	http://www.dwp.gov.uk/welfarereform/esa.asp
Work trials	A Jobcentre Plus initiative to encourage employers to offer work opportunities to disadvantaged candidates. Benefits are maintained throughout the worktrial, no wages are paid, but travel costs and a	www.jobcentreplus.gov.uk/employers

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	meal allowance are reimbursed by JCP.	
Working Tax Credit	Working Tax Credit (WTC) is an in-work financial benefit to low-paid workers administered by HMRC	
Work Together	Work Together is a Great Britain wide initiative that aims to encourage unemployed people to consider volunteering as a way of improving their employment prospects while they are looking for work. The voluntary and community sector can play a significant role in supporting the delivery of Work Together, both locally and nationally.	
16 hour rule	The DWP rule that reduces benefit entitlement for claimants who are working or studying for more than 16 hours per week. It was revised in 2008 to allow participation in short-term full time training. It remains a deterrent to long-term training, but should not affect volunteering.	A review for people in temporary accommodation is mentioned World class skills: implementing the Leitch Review of Skills in England (DIUS July 2007)

If you have any questions or suggested additions to the glossary then please contact the National Coordinator, Clare Archibald on 0131 337 8243 or by email, clare@scsh.org.uk

The Scottish Homelessness and Employability Network

SHEN was set up in 2003/4 to bring together and collaborate with the wide range of stakeholders in the employability process for people at risk of homelessness. This involves the identification and sharing of models of good practice; influencing policy, funding and legislation; and ensuring that the employability model can be a sustainable and effective route out of homelessness.

SHEN is hosted by the Scottish Council for Single Homeless, and is funded by membership subscriptions and through grants from the Scottish Government.