

# No one written off: reforming welfare to reward responsibility

## Consultation Response

### Summary

Sainsbury Centre believes that no one who is off work with mental health problems should be written off by the benefits system. We are concerned that the approach taken in the green paper does not sufficiently address the needs of people with a range of mental health problems. Our major concerns are:

- A crude system of payment by results will lead to people who are hardest to place being 'parked' by providers and will discriminate against small providers who best understand the needs of those who are furthest from the labour market.
- Insufficient attention has been given to how to grow a skilled workforce to meet the needs of claimants with mental health problems.
- Providers will have inadequate incentives to provide evidence-based employment support and may use methods that are less effective for those with serious mental health problems.

We recommend that the Government:

- 1) Places greater emphasis on the needs of those who are hardest to place, especially the large proportion of incapacity benefit claimants with mental health problems.
- 2) Ensures that standards with regard to equality of access and quality of provision are in place and written into the contract of providers.
- 3) Supports the piloting of individualised budgets in the purchasing of employment support.
- 4) Invests in training and accreditation for rehabilitation professionals.
- 5) Invests in a review of Access to Work provision to accompany extra monetary investment.

## Background and Introduction

Sainsbury Centre for Mental Health welcomes the opportunity to comment on the consultation document, *No one written off*, that sets out some of the detail of the Government's proposals to reform the welfare benefits system.

We support the aspiration contained in the title of the paper, but we are concerned that the reforms do not sufficiently address the particular needs of claimants with mental health problems, who represent the largest single group currently claiming incapacity benefits. There is strong evidence about what is effective in returning people disabled by mental ill health to the labour market. Our response draws on this evidence and on 20 years of practical experience in running employment programmes for this group of people.

Research has shown conclusively that the 'train and place' methodology does not work. Yet we believe that it will return by default through the imposition of compulsory work-focussed activity and skills training. We are concerned that in trying to coerce those who are apparently unwilling into work, the new conditionality will unintentionally force the potentially willing to do things which will delay or prevent them from entering or re-entering the workforce.

In the second part of this paper we will respond to those consultation questions which affect people with mental health problems and the organisations that represent them most directly. Initially however we will highlight three critical, overarching questions which we do not believe are answered satisfactorily in the Green Paper.

## Key issues and concerns

How will the Government ensure the safety of its programmes for the most vulnerable people and guard against the continuing exclusion of those who are hardest to place in work?

The Green Paper states that the Government's vision for reform of the welfare system is to implement the Freud report 'in full' including its 'black box' approach to what is required of contractors. Sainsbury Centre disagrees strongly with this approach. It is important not to stifle innovation but where there is an evidence base the application of it should be written into contracts and become part of the routine monitoring of quality and standards.

It has been suggested that, as long as results are achieved, how they are achieved is not important. This is short-sighted and potentially high risk. Failure to recognise when a customer is seriously ill or severely depressed could be disastrous: these interventions are not without harm. Turning a blind eye to methods and quality standards can lead to ineffective, even damaging practice. Sainsbury Centre believes that the criteria for performance of employment providers must include a set of ethical, evidence-based standards and process measures to ensure effective and ethical practice.

Evidence from around the world shows that where there are crude payment by results systems, contractors tend to mitigate their risks (both of harm to customers and to their income streams) by avoiding, or "parking", those furthest from the labour market. Research commissioned by the DWP itself, at the same time as reporting the success of evidence-based supported employment interventions in the US and UK, highlights the flaws of "cherry picking and parking in the payment by results systems that jeopardise the system's effectiveness for those who are hardest to place in work, the most discriminated against".<sup>1</sup> Similar points are made in the Social Market Foundation's recent report "Flexible New Deal – making it work"<sup>2</sup>.

Contracting with private and voluntary sector providers and paying them by results out of benefit savings is also problematic because it runs the risk of excluding smaller, specialist providers who have mental health expertise **and** the confidence of mental health service users, but who are unlikely to have the capacity or the willingness to risk bankruptcy by investing upfront in the staffing that will be required to achieve results. There is no acknowledgement of any of these issues in the Green Paper. It is crucial to the success of the whole welfare reform agenda that over the three years in which the pathfinders will run, Government ensures that providers:

- are incentivised to work with those who are hardest to help
- are suitably qualified and experienced to work with people with mental health problems
- achieve and maintain the confidence of mental health service users.

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<sup>1</sup> See p.30, 'Programmes to promote employment for people with disabilities: Lessons from the United States', Ranganjan et al, April 2008, submitted to Disability and Work Division, DWP, unpublished.

<sup>2</sup> [http://www.smf.co.uk/assets/files/publications/SMF\\_Flexible\\_New\\_Deal.pdf](http://www.smf.co.uk/assets/files/publications/SMF_Flexible_New_Deal.pdf)  
See p51 ff "Cream-skimming and parking"

## Where will the capacity to provide appropriate help come from?

Unlike the USA, Canada, Australia, New Zealand and many other Northern European countries we have no specialist Vocational Rehabilitation profession in the UK. At present providers in the UK are mostly small-scale. They are heavily dependent on qualified professionals “imported” from countries which do have professional training in vocational rehabilitation and on the comparatively few occupational therapists and physiotherapists who have chosen to work in this area and who for the most part have had to learn on the job. There are currently only two graduate level Vocational Rehabilitation training courses in England, plus a UNUM sponsored scheme to introduce accredited training from Canada (NIDMAR training) to this country. These courses have only been running for 1-2 years and will not meet the workforce needs envisaged in the Green Paper. Only one of these courses offers any modules on evidence-based supported employment for people with mental health problems.

Personal advisers were a highly successful part of the original Pathways to Work pilots and are a key feature of the Green Paper. We are concerned that, while the role of these advisers is central to delivering on the vision of the document, it is unclear where a sufficient pool of personal advisers will be drawn from, who will train them and what the training will comprise.

The awareness and understanding held by Jobcentre Plus staff of the needs of people with mental health problems can be variable across the country. The capabilities and sensitivities of these staff will be crucial to the success of a flexible, personalised system. This is particularly important when dealing with groups such as people with mental health problems who also experience high levels of stigma and discrimination.

We are also concerned about there being a limited pool of advisers of any sort currently available to provide the employment services on which the programmes will depend. Contractors in provider led Pathways to Work are already employing large numbers of advisers from Jobcentre Plus, not all of whom have benefited from the excellent training given to staff in the first, public sector-delivered phase of the programme.

In the longer term it is therefore critical that the numbers of vocational rehabilitation specialists being trained and working in the UK is improved and it is hard to see this happening without intervention and investment by Government. An immature market such as this cannot deliver a skilled workforce with sufficient capacity relying only on outcome payments to contractors.

## How can we ensure that staff deal sensitively and appropriately with people with mental health problems?

Even skilled and sensitive employment advisers can be uncertain of their own capacity to deal with people with mental health problems. Working with this group requires a team approach and close integration with clinical mental health services. The evidence in favour of programmes based on the “Individual Placement and Support” (IPS) method across a wide range of settings and contexts

is overwhelming<sup>3</sup>. If the Government is to realise its vision, employment providers should be required *by contract* to deliver their interventions in a way that is most likely to be effective for people with mental health problems: they should be 'made accountable for programme fidelity' [Rangarajan *et al*, 2008].

This means in practice that employment providers must be able to deliver programmes from which there are no exclusions for people who want to work and which emphasise:

- user preference: 'fitting the job to the person', rather than vice versa
- rapid job search and early placement
- providing support to the employer and employee directly in the workplace
- continuity of support (same individual) through the initial engagement, assessment and placement process
- the importance of joint working between health and employment agencies ('in parallel', not 'in series')

We also know about what does not work in terms of successful employment rehabilitation for people with mental health problems. This includes programmes that:

- Do not contain the features identified above, particularly rapid job search and workplace-based support
- Rely on 'case management' with no continuity of support from assessment through placement
- Rely on the provision of Benefits advice alone
- Rely on user choice regarding programme suitability.

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<sup>3</sup> See Mental Health and Work produced by the Royal College of Psychiatrists for Dame Carol Black's review <http://www.workingforhealth.gov.uk/documents/mental-health-and-work.pdf> and The effectiveness of supported employment for people with severe mental illness: a randomised controlled trial. (2008) The Lancet, Volume 370, Issue 9593, Pages 1146 - 1152 T. Burns, J. Catty, T. Becker, R. Drake, A. Fioritti, M. Knapp, C. Lauber, W. Rössler, T. Tomov, J. van Busschbach

## Responses to consultation questions

### 14. 'Focus on work' for disabled people – Do you agree that the WCA and WFHRA should be re-focused to increase work-related support?

Sainsbury Centre agrees with the focus the Government is placing on shifting the emphasis from what people cannot do onto what they can, that work-focused support should be made available to all ESA benefit recipients who wish to access it and that ESA should be a temporary benefit for the majority of its claimants.

We are concerned, however, that people with a history of severe mental health problems may be excluded at the first hurdle by being placed automatically into the 'support' category. We believe that the assessment of eligibility for benefits should be separated from employment advice and support and that at least one work focussed interview with a trained adviser should be mandatory for everyone of working age who is not actually too ill at the time. If as a result of the WFI a person decides that they want to try for work, then help should be offered. If people are not aware of what is on offer they cannot make an informed decision about whether they want to seek work. People who are excluded from this stage of the process are very much in danger of being written off.

For an international parallel, an Australian study of their Job Capacity Assessment (JCA), the equivalent of our WCA, found that:

*"JCA is in conflict with the evidence-based supported employment principle concerning the 'zero-exclusion' criterion, which states that any client who expresses a desire to work should be eligible for supported employment and should not be excluded on the basis of illness severity, residual symptoms, co-morbid disorders, or by assessments of work readiness."*<sup>4</sup>

Time too is a crucial factor: clients who wish to commence a programme of supported employment should not have to endure lengthy waits for medical assessments to be made. Again, a parallel can be drawn with Australia where a solution to this problem has been to ensure that clients are in touch with employment specialists before they meet with a medical assessor:

*"...by meeting with and educating JCA assessors, attending assessment interviews with clients, and ensuring clients provide all relevant [medical] information...the JCA process can work well...and can be completed to satisfactory outcomes within two weeks."*<sup>5</sup>

This relies upon contact between client and employment specialist in parallel with the equivalent of the work capability assessments. The entry process into the welfare system which is implied by the Green Paper is a single medical assessment for benefit eligibility followed immediately by an assessment of work capability done in sequence in the same appointment by a physician who does not know the claimant and will have no further role in offering support into employment. A process which is disjointed in this way from the very beginning is not supported by the research evidence

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<sup>4</sup> Challenges to implementing evidence-based supported employment in Australia, Waghorn et al, Journal of Vocational Rehabilitation 27 (2007) 29-37, IOS Press

<sup>5</sup> Ibid.

and may well prove a barrier to people with high levels of support needs who are nonetheless well motivated to work.

To reiterate, the assessment of eligibility for benefits should be separated from the capability assessment. The capability assessment should be carried out by a personal advisor who will start to develop a return to work plan with the client. This separation is essential to the necessary establishment of trust between the personal advisor and client.

## 15. 'ESA – Personalised support in exchange for increased requirements' What expectations should there be of people undertaking the personalised support we will now be offering in the Work Related Activity Group? Could this include specific job search?

The most successful schemes for those furthest away from the labour market are those that tailor services on a highly individualised basis and those in which levels of support were high (Rangarajan et al, 2008). IPS emphasises rapid job placement for those who feel ready for work.

The danger of a coercive approach to “work-related activity” is that both the adviser and the individual claimant will lose their focus on how to overcome the barriers to paid employment and will instead concentrate on meeting the activity requirements to retain higher levels of benefit. Since these activities are likely to be easier to organise and comply with than actually getting a job, we could find ourselves back on the old, familiar “training to nowhere” roundabout which has failed so spectacularly to help disabled people into work for so many years.

Mandatory job seeking, however, is far worse. It will ensure that people with mental health problems who do not feel ready to take the risk of moving into work and off benefits will fail. A system which relies upon coercion is also liable to discredit the programme in the eyes of employers, increasing the level of discrimination against groups of people already vulnerable to it. Would any employer be willing to take on someone who has been forced to apply – whether or not they have mental health problems? Support from and support for employers is an essential element in any employment programme.

Requirements placed on people receiving personalised support should be directed towards them understanding the benefits of work and having sufficient time with a skilled adviser to build a relationship of trust. Once this is established, what is offered should be based on evidence of what works in terms of supporting people into work. Rapid job search in the open market, based on the preferences of clients, with as much support as necessary from an employment specialist for both the employer and the employee, are the fundamental principles of evidence-based supported employment. People using mental health services will also need to have their doctor or CPN on board and supportive of their aspirations to work.

We would recommend that providers of employment services be required to operate in this way to support their clients into jobs.

## 16. 'Access to Work' – How can we make Access to Work more responsive to the needs of claimants with fluctuating conditions – including mental health conditions?

We welcome the proposals to double the Access to Work budget but are concerned that an influx of money alone will not be enough to address the very poor take up of the Access to Work scheme by people with mental health problems. Currently information from internal DWP source suggests that support for people with mental health problems accounts for only a tiny proportion (less than 1% we were told) of the Access to Work budget. Simply increasing the budget without addressing this issue will only serve to increase the margin by which people with mental health problems are left behind. We therefore welcome the Government's plan to test ways of increasing the availability of Access to Work to people with mental health problems.

There exist on a small scale creative applications of Access to Work that could benefit those who are disabled by mental ill health – notably funding in-work support. We recommend that DWP commissions a study of the reasons for the variability of access across different impairment groups of the Access to Work budget. Evidence should be collected of good practice with groups who are under-represented with questions such as what kinds of support, adjustments and flexibilities Access to Work is currently paying for in respect of people with mental health problems being addressed. The results should be disseminated among those in Jobcentre Plus who are responsible for AtW claims and most particularly to potential claimants. Information about the availability and performance of AtW should also be made much more widely available, which we recognise and welcome as an ambition of the Government.

## 17. 'Work-focused requirements' –What additional flexibilities in the system or forms of support will claimants with multiple and complex problems need to enable them to meet the new work-focused requirements proposed in this Green Paper?

Support for claimants with serious mental health conditions should be based on the evidence of what works for this particular client group, as described above. Integration of employment specialists with clinical teams is essential in enabling people with complex mental health problems to gain and keep meaningful employment. Contractors and employment support workers should be made aware of how important this is and be required to make links with local specialist mental health services. This is not simply to ensure that people with fluctuating mental ill health receive timely help when they become ill – important as that is.

Two of the main predicting factors for those who get jobs through IPS programmes are motivation and self-belief: support for clients with complex mental health needs should involve instilling hope and belief in their ability to gain and sustain employment. The expectations of mental health professionals in this regard are crucial and that is why it is so important that providers of employment services foster good relationships with clinicians and gain their trust and confidence.

## 18. 'Employer / Employee return to work action plans' – What are the key features of an action planning approach that would best support employees and employers to take the steps for the employee to make a swifter return to work?

As highlighted by the recent review of Vocational Rehabilitation carried out by Waddell et al it is essential to strike the correct balance between health care and work focus.<sup>6</sup>

The basic principles of any vocational rehabilitation scheme need to be:

- early intervention on a “stepped care” basis
- case management for those who do not return to work as expected (within 4-6 weeks)
- condition management and relapse prevention
- plans to make adjustments in the workplace.

In the case of mental health, evidence-based treatment and access to high quality psychological therapy as and when it is needed will be necessary.

Early intervention should not, however, mean early medicalisation. Most people will recover and return to work without needing any particular help beyond active absence management by the employer (keeping in touch, creating the expectation of return, dealing with any barriers or difficulties that have cropped up). Premature medicalisation of depression and anxiety can sometimes get in the way of solving the problems that have triggered the distress and slow down return to work. This is why a stepped approach is necessary – doing as much as is necessary to enable the employee to deal with the distress while keeping the workplace relationships and the expectation of return to work very much alive. Once it becomes clear (after 2-4 weeks or if there is a recurrence) that a person is not recovering as expected then skilled case management can be helpful in negotiating a return to work plan that everyone can sign up to.

All responses to mental ill health related absence should be embedded in a non-stigmatising, whole-company approach to mental health generally.<sup>7</sup> A stepped intervention for people off sick who are not recovering as expected would include a return to work plan, the key features of which would be agreement from all parties on issues such as workload, adjustments, disclosure (who should be told what about the reasons for absence), clinical management and ongoing support e.g. through measures such as an “advance statement”.

Mental health training for line managers (such as that currently being piloted by Sainsbury Centre in partnership with *beyondblue*, the Australian national anti-depression campaign) would help both with identification of and early intervention in mental health problems as they arise in the workplace.

Where people are not recovering as expected, case management provided by specialists can help mediate the relationship between the employee and the employer. Sainsbury Centre is currently

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<sup>6</sup> Vocational Rehabilitation: What works, for whom and when? Waddell et al, TSO, 2008, p.58

<sup>7</sup> Mindful Employer has a charter for employers to sign up to and some useful resources and employer networks – particularly for smaller, local employers. See [www.mindfulemployer.net](http://www.mindfulemployer.net)

engaged in surveying specialist mental health Job Retention services across the UK to ascertain the level and types of provision that exist and most crucially what works. We will then use "Delphi" methodology to get expert opinion on key principles and good practice in this area.

Professor Waddell's review found little strong research evidence on vocational rehabilitation for people with mental health problems who are already employed. Funding research to develop an evidence base equivalent to that which exists for musculo-skeletal disorders and supported employment will be a critical next step if the Government is to achieve its ambitions.

21. 'Right to Control' What are the next steps in enabling disabled people, reliably and easily, to access an individual budget if they want one? Should they include legislation to give people a right to ask for a budget or will other levers the Government has got prove sufficient? What are the safeguards that should be built in? How can this be done?

We are concerned that Individual Budgets have not yet been tested as a way of purchasing employment support by people with mental health problems. We would wish to see a commitment to testing this in advance of any sweeping changes which would likely cause confusion in a financial system founded on payments to providers by results. Helping people with mental health problems reach a point where they are sufficiently empowered and de-stigmatised to make use of opportunities such as Individual Budgets and Access to Work, would involve not only a great deal of help for service users and those who work with them but also complex systemic change. This will not be a short term measure and we would recommend that the Government initiates a pilot where Individualised Budgets are used to purchase employment support in an area where there is already well established evidence-based practice.

22. & 23. 'Benefits system' Single overarching benefit right long-term aspiration? Move carers onto JSA?

While we acknowledge and applaud the Government's aspiration to simplify a benefits system which users experience as monstrously complex<sup>8</sup>, we remain unconvinced that the Government is addressing the barriers facing those who are most disadvantaged by the current system. Welfare benefits advisers tell us that the recent welcome changes to linking rules, return to work credits and income continuity are not well publicised and are largely unknown to claimants who have not already decided to try for employment. ESA in itself will therefore do little to encourage people with mental health problems to think about work and indeed may well feed into their fears of losing their income altogether. We have noted also that there is no mention of Housing Benefit in the Green Paper. One of the main barriers to leaving benefits at the moment is that there is a very real poverty trap in which people with mental health problems in supported housing particularly find themselves. This is caused by housing benefit regulations which decrease housing benefit in direct proportion to income earned from work.

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<sup>8</sup> See Joseph Rowntree Foundation, *Problems in the delivery of benefits, tax credits and employment services, June 2008*

Accurate, realistic and independent benefits advice is an essential component of effective welfare to work interventions. There needs to be much greater acknowledgement of the fear that surrounds a move from benefits back into work: people need to be confident that they are receiving the best advice and support possible to want to engage with the system. There is a particular concern at the moment that Pathways to Work is little heard of among many people with mental health problems, despite its successes with this group and that there appears to be no published advice at all about the fact that Disability Living Allowance can be an in-work benefit. Until issues such as these are addressed, real and perceived fear about the move from benefits into work will persist. Simplification of the system would be welcome but should be well publicised and any streamlining of the system should not be to the detriment of those requiring specialist supports.

26. The Right to Bid - What information would providers need to make the Right to Bid effective? How would the evaluation process need to work to give providers confidence that their ideas would be evaluated fairly and effectively? How do we get the balance right between rewarding those who come up with new ideas and the obligation to tender projects?

Very few specialist mental health organisations will be in a position to bid if contracts require up-front investment and no certainty of payment. There seems little point in them having the right to bid when the financial framework could bankrupt them. We recommend that DWP contracts out specialist services for people who are hard to place directly without leaving it to prime contractors to decide whether or not to hand out subcontracts. The tendering process could then be geared to the expertise, size, financial strength and closeness to the user group of the smaller organisations – a genuinely level playing field.

27. 'Commissioning and performance management' – what would the processes look like? How could a link be made to the radical proposals for the pilots set out in Chapter 3, which seek to reward providers for outcomes out of the benefit savings they achieve?

We look forward to having the relationship between individual budgets and the payment by results approach clarified.

It is imperative that, whatever processes are put in place for the commissioning and performance management of employment services, they are based on the evidence of what works. The Government should ensure that consistently high standards are achieved and maintained by all personal advisers and providers of employment services. Not only does this mean investment in training and accreditation of rehabilitation professionals with a requirement for continuing professional development, it also requires a commitment to establishing standards which providers are obliged by contract to meet. The DWP's support of the UK Rehabilitation Council as a standard setting for body for vocational and other forms of rehabilitation is extremely encouraging in this

regard. Contractors should be required to demonstrate that they are signed up to the agreed standards and be subject to periodic audit which would include interviews with clients and staff.

8. & 9. 'Skills identification' – When is the right time to require ESA claimants to take a skills health check? Should ESA customers be required to attend training to gain the identified skills they need to enter work?

Evidence-based supported employment works on the basis of starting the job search for people with complex needs and often long-term conditions as soon as possible, with as much or as little support as is necessary in each individual case. Assessments should be completed within four weeks or fewer and job search should be based upon the individual's preference.

Requiring people to spend time doing skills training is not consistent with the evidence of what works in terms of supporting people back into employment. Making the jump into paid employment is the really important step psychologically and once that is achieved people can gain the confidence and motivation to develop their skills and themselves. This is another example of where the Green Paper is in danger of promoting an unintentional return to discredited "train and place" methods.

13. 'Volunteering' – How might we build on the foundations of the current rules so that they do not discourage unemployed people from volunteering as a deliberate back-to-work strategy, while retaining a clear focus on moving off welfare into paid employment?

Volunteering should be seen as being part of a spectrum of options for an individual. Rapid job-search in the mainstream job market for employment of an individual's choosing has been shown to be an effective method of support. However we recognise that volunteering and work experience can be an important step in the direction of paid employment and can be helpful in preparing an individual for this. A system which works in a tailored way for each individual should be able to be flexible enough to accommodate volunteering which prepares a person for the employment of their choice, without confusing it with 'Work for your Benefit' and without penalising a person for opting to volunteer as part of journey towards recovery and employment.

The infamous "own work" rules should be modified or abandoned so that people who volunteer to do work which is in their own field are not immediately called in and threatened with loss of benefits. It is very unlikely that a person who is volunteering to do unpaid work is also a benefits-cheat.

## **Conclusion**

To conclude, we support the Government's stated vision of a benefits system which does not 'write anyone off'. But we remain concerned that the reforms do not sufficiently address the particular needs of claimants with mental health problems, who represent the largest single group currently claiming incapacity benefits. We welcome the Government's decision to appoint a steering group of specialists, chaired by Dame Carol Black, to oversee the development of a cross-Government National Strategy for Mental Health and Employment and will continue to inform the work of this group to progress the implementation of evidence-based practice in assisting people from welfare to work. Our recommendations in summary are these:

1. Place greater emphasis on the needs of those who are hardest to place, especially the large proportion of incapacity benefit claimants with mental health problems.
2. Ensure that standards with regard to equality of access and quality of provision are in place and written into the contract of providers.
3. Support the piloting of individualised budgets in the purchasing of employment support.
4. Invest in training and accreditation for rehabilitation professionals.
5. Invest in a review of Access to Work provision to accompany extra monetary investment.

## **About Sainsbury Centre**

Sainsbury Centre for Mental Health is a research charity working to improve the quality of life of people with mental health problems. Our work focuses on employment issues and on the criminal justice system.