

Work, Health and Disability Green Paper - Improving Lives

Since its publication the Committee has had several discussions about **Work, Health and Disability - Improving Lives**. Given the range and nature of the issues covered in the Green Paper, the Committee does not have a consensus view on all of the specific proposals. However, the Committee has agreed an approach for developing these proposals further and for the eventual implementation stage.

The Government is right to aim at least to halve the disability employment gap. We should not accept that long term unemployment should be a normal outcome of a serious health problem or impairment is; so we applaud the Government for its ambition. We also agree with the Government that ‘the right type of work is good for our physical and mental health and good health and support helps us in the workplace’. The corollary of this is that not any employment will do. It needs to be right for the individual’s circumstances and well being, and individuals need financial security if they can’t find work that is right for them.

However, getting the context right will be crucial. The Green Paper is absolutely right about the necessity of the health and social care system, employers, and social security all pointing in the same direction. The challenge of doing that in the health and social care sector should not be underestimated. It requires sustained political commitment and leadership by governments across the UK, in concert with active engagement by the relevant professional bodies. Engagement with employers will particularly require a nuanced approach, backed by best evidence on the range of levers, incentives and support that could enable employers to retain and take on more people with health conditions or disabilities. Just as ‘one size fits all’ doesn’t work for claimants; neither does it work for employers – particularly the small to medium employers who account for around 60 per cent of the private sector workforce. The Committee recently visited Swansea Jobcentre and was impressed by the steps they have taken recently to engage with small, local, employers. Local, as well as national policies and initiatives will be vital, with approaches tailored to employer size, industry sector and nature of skills required.

We also saw at Swansea that getting everyone pointed in the right direction is not enough. One of the examples we were given was how much work the Jobcentre did for a disabled claimant to find an employer but it fell apart because the Access to Work payments weren’t sorted at the right time. Unless all the elements are in place to provide the right support at the right time it can fail even when an employer is on board.

Getting the context right also requires a broader strategy. For example, both transport and skills are clearly of great importance in enabling more disabled people to find and retain rewarding employment. Transport, because many disabled people find it difficult to get to job interviews and to work. Skills because the disability employment gap is much greater among those with poor qualifications than among those with high qualifications, yet on average people with long term illnesses or impairments are also lower in skills (including digital) and qualifications than healthy, non-disabled people of a similar age. **We therefore recommend that the Government's strategy should involve the Departments of Transport, Business, Energy and Industrial Strategy and Education, the devolved administrations, and at local level Colleges of Further Education, Local Enterprise Partnerships, apprenticeships providers and possibly Higher Education institutions. We also recommend the Government considers how benefit entitlement interacts with study and apprenticeships so that any barriers to taking up opportunities to increase skills or qualification levels can be removed.**

We wish to emphasise just how difficult and how long it will be to make such a substantial inroad into the disability employment gap. We think there are a number of lessons from the attempts of previous administrations to reduce substantially the numbers of people out of work and on benefit. The first of these is that attempting to get very large scale effects very fast has failed. **We therefore recommend that the Government should plan for getting the next 10 per cent into work as a first step towards its long term ambition.**¹ That does not mean a fruitless attempt to identify the next 10 per cent and only targeting them. But it does mean reducing the flow of disabled people into long term worklessness as well as increasing the rate of entry back into employment. The second lesson is that a very large part of the challenge is how to understand, and plan for, the claimant's perspective. In other words, to influence the outlook, the confidence, and ultimately the behaviour of claimants; and to a certain extent also, of staff. No-one can be certain with any confidence what will work, except that it is likely to be multi-factorial. **We therefore strongly recommend that the Government adopt a range of 'test and learn approaches' to try a broad spectrum of different approaches.**

The Government may well be right that separating financial and employment support might be part of the solution – particularly if claimants experience the current welfare system as a 'binary choice' between support and money. However, we think that the Government should also consider trialling approaches that tackle other barriers. These include the following:

- **The fear factor.** Many people are afraid that if they take steps to find work they will lose benefit and, therefore, security; even more so if they are actually successful in getting a job but are unable to sustain it. So one potential pilot could be of a 'benefit guarantee' that they won't lose

¹ I.e. getting 10 per cent of those who are disabled and not in paid work moving into paid work, reducing the non-employment rate among the disabled from about 50 per cent to 45 per cent

a higher rate of benefit or become subject to full conditionality by trying work or work related activity such as voluntary work.

- **The gap between voluntary and compulsory.** ‘Opting in’ versus conditionality is often posed as a binary choice. But it need not be. The passive, voluntary approach for the current support group hasn’t worked. But fear of losing benefit is not a good way of building confidence and commitment. The challenge for the Department’s in-house behavioural insight team is to change the existence of an ‘opt in’ to work-related activity if claimants really want to, into a presumption that they won’t opt out. One potential avenue to explore – and there will be many others – is a truly ‘something for something’ approach, reflecting a deal between a claimant and the Department. If the Department can successfully reduce an individual’s barriers to employment, whether those are skills, experience, transport, child care, hours etc, then making conditions on what that individual should do becomes more feasible.
- **Trusted intermediaries.** Many claimants do not see the Department and its work coaches as on their side. They may well respond more positively to people or organisations they already know, or who they see as independent of the Department or with more expertise in their own type of circumstance. The Green Paper recognises that there is scope for NHS health services to provide greater employment support to people. We welcome extending voluntary support from trusted intermediaries, and suggest the Government actively tests out using a wide variety of intermediaries to help individuals take steps to get into work. This could include NHS workers or voluntary sector organisations.
- **Fluctuating Conditions.** A particular challenge is finding solutions for people with fluctuating conditions - whether the solutions are in their own capacity to take steps to find work, in the ability of employers, and in the support employers receive, to employ people whose work capability might vary enormously, or in making fair social security assessments. There is also a current risk that the design of UC for the self-employed may discourage those with fluctuating conditions from pursuing this route into work because of the interaction between periods spent not working and the UC minimum income floor impacting on that person’s living standard. These areas should therefore be a particular focus for testing and trialling.
- **Breaking the link further between financial and employment support.** The Green Paper makes clear the Government’s aim is not to reduce the amount of benefit those in the support group of ESA receive. However, there may be other ways to deliver that support. One way may be to put the higher rate of benefit into a different benefit – the Personal Independence Payment (PIP). The savings from abolishing the higher rate for the support group would finance a more generous PIP which people would automatically still get when they are

in work. There are clearly significant design challenges with this, but it would remove an artificial distinction within the benefit system which currently tells both claimants and staff that one and a half million people are not able to work and it would also improve work incentives. There would also be scope for redeploying some of the savings into financing work-related activity, though this would leave less for increasing the rates of PIP.

Our final advice is about decision making. In July 2016 we made a number of recommendations about how ESA [decision making](#) could be improved and made fairer. We have also made recommendations in previous reports on [telephony](#) and [communications](#). Many of those recommendations remain relevant to the reforms the Government are planning. This is partly because when claimants better understand benefit decisions, and think they are being treated fairly, they are more likely to feel positively to working with Jobcentres in other ways. We have summarised some of these recommendations in an annex to this response.

The challenge the Government is setting itself is extremely ambitious. It is one thing to organise a national system of benefit provision, but quite another to tailor individual requirements into that system. We urge the Government to make maximum use of the testing and piloting powers to trial and develop new initiatives. Given the scale of the challenge, and the long history of previous attempts, we encourage the Government to be imaginative, wide-ranging and radical in these pilots.

Social Security Advisory Committee
17 February 2017

Annex of recommendations on decision making and communications

Claimant Experience

- Design processes and communications around meeting the needs and developing the capacities of claimants particularly those in vulnerable situations.
- Clearly communicate decisions in plain English and clearly set out implications of decisions for claimants.
- Focus on getting all relevant evidence at the start of the process, with active efforts to plug gaps and explore contradictions – ie, a more inquisitorial approach to fact finding.
- Work with Department of Health and devolved administrations to establish a consistent approach to the provision of medical evidence.

Simplicity

- Take the opportunity to identify and address elements in the decision making and appeals process that claimants believe are too complex.

Consistency

- Ensure consistent outcomes for claimants whoever does the assessment.
- Review the level of discretion that decision makers may exercise so that the rules on entitlement can be applied consistently by all decision makers.

Decision making standards

- Review training for decision makers, caseworkers and coaches.
- Produce easier to navigate guidance for staff.
- Improve access to healthcare professional advice.
- Review quality assurance framework.
- Understand and improve feedback mechanisms.
- Consider aspects of the decision making process that could benefit from external oversight.
- For transparency and accountability, publish data on full range of outcomes for claimants.

Sensitivity

- Recognise the range of support needs for vulnerable claimants.