

**REPORT OF THE COMMUNITY SAFETY AND SOCIAL INCLUSION
SCRUTINY COMMISSION**

Tackling Worklessness:

**Routes to employment for those in receipt
of long term inactive benefits**

Overview and Scrutiny Board - 22 April 2009

**Classification
Public**

**Enclosures
Appendix 1**

1 FOREWORD

- 1.1 This review is not about “Worklessness” which would be quite a daunting subject for a scrutiny commission, instead, it is an attempt to look at how the Council and its partners could do more to support, back into employment, Hackney residents who are claiming inactive benefits (Incapacity Benefit or Income Support relating to childcare). Hackney has the highest proportion of individuals claiming Incapacity Benefit for mental or behavioural disorders in the country (48%)¹ and it has three times the national average of schizophrenia sufferers². The sad fact, particularly for those managing mental health conditions is that they are, for the most part, consigned to a life on benefits. 44%³ of those claiming Incapacity Benefit in Hackney have been claiming for longer than 5 years. By finding ways to better assist this group of people we could begin to make some in-roads into the problem and at the same time we would improve the quality of life for these residents and improve the life chances of their children.
- 1.2 Two thirds of the residents of Hackney (67%) are of working age of whom 63% are in employment. The rest are either unemployed or ‘economically inactive’. Although the overall employment rate is now 63.3%⁴ and has been increasing steadily since 2005 (when it was 53%), it still remains significantly lower than the London average and it remains the third lowest in the country. Hackney’s unemployment rate was 10.1% in June 2008, significantly higher than the London rate of 6.3%⁵. With the impact of the economic downturn there is no doubt this number will increase significantly.
- 1.3 However, a far higher proportion of Hackney’s working age population are economically inactive (29%)⁶, and many of these (around 20,000), are on

¹ Jobcentre Plus briefing to the Commission’s meeting on 7 October 2008

² Evidence from East London Foundation Trust at 12 November 2009 meeting, p.6

³ DWP Claimant Count, Working Age Client Group, August 2008

⁴ NOMIS, official labour market statistics, June 2008

⁵ ibid

⁶ NOMIS, official labour market statistics, June 2008

long term Incapacity Benefits or lone parent benefits. The proportion of people who are economically inactive is far higher in Hackney than the London or national averages and more than a third of Hackney's workless have never worked⁷. A culture of worklessness has developed in some areas such that some families have three generations unemployed. Research shows that after two years on incapacity benefit a person is more likely to die or retire than to find a new job⁸. The seemingly intractable nature of the problem therefore could make one despair that a solution could ever be found. The Commission was pleased however to see some evidence of fresh thinking on the issue in Hackney and to witness a new approach, in the City Strategy Pathfinder pilot project, which seems to be bearing fruit.

- 1.4 With Hackney having such high numbers with mental or behavioural disorders claiming Incapacity Benefit there is an urgent need for policy makers to act. All the available research, including Dame Carol Black's recent report for the Department of Health⁹, concludes that work can promote recovery from both mental and physical health problems and also minimise the long term physical, mental and social effects of long-term unemployment, such as social exclusion and poverty.
- 1.5 We learned that nationally mental health problems account for one third of sickness absence, costing the country approximately £4 billion a year and more startlingly, we learned that depression will rank, second only to heart disease, as the leading cause of disability worldwide by 2020¹⁰. Public sector employers will need to lead by example here by making greater efforts to support individuals to maintain their employment. While the local mental health trust and organisations such as Mind and the Employers Forum on Disability do excellent work, their efforts will need to be supported more fully. We learned that the majority of those with mental health problems are willing and able to work and despite this our society continues to put significant barriers in their way. The onset of even mild mental health problems can often destroy a career and the system seems to be failing people who, with the right support, could maintain their jobs and progress in the workplace. The reasonable adjustments for those with mental health problems, which could be expected of employers, are often less onerous than for those employees with physical impairments, yet employers seem less able to cope. Likewise, interventions designed to support people such as the new Employment and Support Allowance do not work as well for those with mental health problems as they are tailored more for those with physical impairments.
- 1.6 A number of our recommendations are obviously directed at our partners, as tackling worklessness will require a concerted partnership response from the members of Hackney's Local Strategic Partnership – Team Hackney. We

⁷ Census 2001

⁸ *A new deal for welfare: empowering people to work*. Department of Work and Pensions. January 2006.

⁹ *Working for a healthier tomorrow*, Dame Carol Black's review of the health of Britain's working age population. DoH and DWP. 17 March 2008.

¹⁰ *Recruitment and mental health*. Employers Forum on Disability and Sainsbury Centre for Mental Health, October 2007.

hope that Team Hackney's Economic Development Partnership, of which Job Centre Plus is an active member, will have regard to our findings and these issues.

- 1.7 We also acknowledge that solutions for supporting those on health related benefits require a national response from Department of Work and Pensions or the Department of Children Schools and Families. We hope that if the Mayor progresses the proposed Multi Area Agreement (MAA) with the 4 other Olympic Boroughs, he might use the MAA as a vehicle to lobby more effectively on these points. Regional or sub-regional solutions are required here and more crucially, there is a need for more local flexibility on issues such as in-work benefits, to assist those during the transition back to employment.
- 1.8 Finally, one notable aspect of this review was our decision to engage Continental Research to carry out some focus groups for us on the welfare reforms with Hackney residents. These proved invaluable in giving us an insight into local people's experiences. We listened to people who are balancing managing their conditions with the requirements of the tougher new benefits regime. We hope that our findings will be taken forward and inform the Council's "Cross Cutting Review" as it begins to look at the bigger picture of tackling worklessness in Hackney.

Cllr Deniz Oguzkanli
Chair
Community Safety and Social Inclusion Scrutiny Commission

1 INTRODUCTION

- 1.1 In 1997, the Government embarked on a national welfare reform programme intended to end the 'something-for-nothing' benefit culture that had trapped millions in a cycle of dependency. Aiming to get one million people off incapacity benefits by 2015, the Government began the implementation of a three phase welfare reform programme, with the first phase "deepening the obligation to work" and the second phase "widening the obligation".
- 1.2 Following the recommendations set out in the Freud Report¹¹ and the Gregg Review¹², the Government launched the third phase of its welfare reform programme with the publication of the White Paper *Raising Expectations and Increasing Support: Reforming Welfare for the Future*, on 10th December 2008. The White Paper details the Government's plan to create a simpler and more personalised welfare state, where welfare support is matched by greater responsibility and higher expectations. The White Paper reforms included:
- 'Personalised conditionality' (tailoring employment/support plan to an individual)
 - Greater requirements to undertake work, training or other activity in preparation for work
 - Giving disabled people greater choice and control
 - Devolving power to private, voluntary and public providers
 - Ending child poverty
 - Strengthening parental responsibility
- 1.3 The White Paper is now the 'Welfare Reform Bill' and is making its way through Parliament and the key areas which remain are:
- Reforms the benefits system by abolishing Income Support and moving all claimants on to either Jobseeker's Allowance if they are well or Employment and Support Allowance if they are sick
 - Aligns the contribution conditions between ESA and JSA
 - Introduces a regime of benefit sanctions for non-attendance at Jobcentres
 - Requires job search by partners of benefit claimants
 - Abolishes Adult Dependency Increases in the Carer's Allowance and Maternity Allowance
 - Introduces work focused interviews for the over-60s
 - Requires work related activity of the majority of claimants in return for receipt of ESA (those with the most severe health issues or disabilities are exempt).
 - Introduces a requirement for births to be registered jointly by both parents
 - Provides additional powers for the enforcement of child maintenance arrears.

¹¹ *Reducing dependency, increasing opportunity: options for the future of welfare to work*, David Freud for DWP, 2007

¹² *Realising potential: A vision for personalised conditionality and support*, Prof Paul Gregg for DWP, 2008.

- 1.4 With the current economic downturn and a marked rise in unemployment, the debate surrounding the welfare reform agenda has become all the more significant. The long term challenge will be to create a robust yet fair welfare system that can withstand the current economic difficulties.
- 1.5 In setting out to explore this topic the Commission decided to focus on the support to adults only as it endorsed the excellent work already done by the Children and Young People's Scrutiny Commission in its review on "*Young People in Hackney Not in Education, Employment or Training (NEETs)*" published in February 2007.

1.6 Origin of the proposal

This scrutiny review was prompted by the following:

- a) 'Reducing poverty by supporting residents into sustainable employment and promoting employment opportunities' has been identified as one of 6 overarching goals of Hackney's recently refreshed Sustainable Community Strategy.
- b) The subject has been prioritised by the Mayor and Cabinet. One of 4 areas identified where "interventions need to be of different scale to ensure the Council achieves the vision for Hackney in 2018" as part of the community strategy.
- c) The review would lead on from issues raised in the '*Supporting Socially Excluded Adults*' and the '*Growing a Local Economy*' reviews in 2007-08. The Commission has already, as part of those reviews, taken evidence on worklessness issues from both Job Centre Plus and from the Strategic Policy and Research Team.
- d) This review reflected a national concern about the numbers of those on long term Incapacity Benefit which prompted the welfare reforms. Significantly these reforms will abolish Incapacity Benefits and Income Support by 2013 to create a more streamlined system based on just two working-age-benefits – *the Employment and Support Allowance (ESA)*, for those who have a medical condition which prevents them from working and the *Jobseekers' Allowance* for everyone who is able to work. The ESA came into being on 27 October 2008 for all new claimants. In addition, changes to the 'lone parent obligation' for parents with older children have already been implemented which phase in much tighter limits on the age of the child for which someone can continue to claim lone parent benefits. Both of these changes will impact significantly on Hackney residents on health related benefits.

1.7 Defining 'Worklessness'

It was proposed that the review focus on the more useful term 'worklessness' rather than 'unemployment' because it is a key indicator for poverty and

deprivation and the workless are over represented in social housing and amongst BME groups.

A working definition of worklessness accepted by the Commission was:

'Worklessness' refers to detachment from formal labour market so it includes people who are unemployed and claiming unemployment benefits, people who are economically inactive yet eligible for inactivity benefits (whether or not they are claiming them) and people who are working exclusively in the informal economy.

1.8 Scope and Terms of Reference

The following scope and terms of reference for this review was agreed by the Overview and Scrutiny Board:

- a) To allow Members to gain a broader understanding of the local and national issues that impact on the problem of worklessness in Hackney, noting the relevant targets in the Local Area Agreement and the possible development of a Multi Area Agreement.
- b) To investigate how the Council and its partners are tackling the problem of worklessness in particular in areas where there is persistent employment disadvantage.
- c) To investigate how the Team Hackney partners work strategically to achieve the shared goal of supporting individuals to get off Incapacity Benefit and into training or employment.
- d) To explore the effectiveness of existing interventions to provide training and employment to those in receipt of child care support or benefits and to learn from national examples of good practice.
- e) To explore the implications for Hackney of the government's plans to reform the welfare system and in particular its plan to replace Incapacity Benefit with the Employment and Support Allowance.
- f) To examine the effectiveness of novel approaches such as the City Strategy Pathfinder project and to identify other examples of good practice nationally, regionally and locally.
- g) To examine how individuals and businesses in the informal economy can be supported to move into the formal economy.
- h) To align the scrutiny review with the Council's broader 'Cross Cutting Review on Worklessness', noting that "worklessness" is a priority in the refreshed Sustainable Community Strategy, and to ensure that the emerging findings of that research are reflected in the scrutiny reviews own recommendations.

2 SUMMARY AND RECOMMENDATIONS

'Reducing poverty by supporting residents into sustainable employment and promoting employment opportunities' is one of the 6 themes in Hackney's Sustainable Community Strategy and has also been prioritised by the Mayor and Cabinet, hence our decision to embark on this review.

Since our work began last September the country has also entered into a period of recession which, no doubt, will impact on Team Hackney partners' ability to respond to this challenge. This is something we are more than conscious of in making our recommendations.

The Commission decided to focus the review on how those in receipt of long term benefits can be assisted back into training or employment. We learned that Hackney has one of the largest proportions in the country of those claiming Incapacity Benefit who are claiming for mental or behavioural disorders. In addition we learned that half of those claiming have been doing so for more than 5 years, which demonstrates the extent of the challenge. We also decided to focus the review on parents dependent on income support, again a significant group in Hackney. Child poverty and social exclusion are of course closely allied to worklessness and this is another reason why we wished to explore this subject.

The recent welfare reforms which have abolished Incapacity Benefit and replaced it with the new tougher regime of Employment and Support Allowance and the restricting of eligibility for lone parent benefit, came in to force on 27 October and are just beginning to be felt locally. We decided in particular therefore to focus on the impact of these reforms as they represent a significant move by the government to reduce the numbers of claimants nationally and match support to higher expectations for all.

The Commission acknowledges that this review touches on just one aspect of problem, assisting those on health related benefits back into employment. During the review we often noted how there persists in the labour market barriers for individuals on the basis of gender, ethnicity and faith. We would ask that in implementing our recommendations and in developing this work further as part of the Cross Cutting Review that these equalities issues are foregrounded.

After hearing the evidence as outlined in this report, the Commission makes the following recommendations, the findings for which are elaborated in Section 6 of the report:

Recommendation One

The Commission recommends to the Mayor and Cabinet that worklessness be a key theme of any proposed 5 borough **Multi Area Agreement (MAA)**. The Commission acknowledges that five boroughs working together should have significantly more influence on the regional and sub-regional agenda, where the problem of worklessness needs to be tackled.

Recommendation

The Commission recommends that any MAA addressing the issue of tackling worklessness should include a requirement to lobby the Department of Work and Pensions and other government departments for:

- a) *Increasing the devolution of mainstream funds to be commissioned through local partnerships.*
- b) *The development of re-investment mechanisms for benefit savings, to ensure a longer term sustained approach to tackling entrenched worklessness beyond 2011.*
- c) *Increased flexibility on the extension of in-work benefits, Housing Benefit and in-work financial support during the transition period for those moving off health related benefits and starting employment, in order to ensure that their employment is sustained.*
- d) *Increased flexibility to allow those claiming benefits to remain on appropriate and established vocational courses of their choice, rather than being forced onto similar courses, accredited by Job Centre Plus, or risk losing their benefits.*
- e) *Ensuring that cuts to funding of ESOL (English for Speakers of Other Languages) as experienced by major local providers are reversed and that in particular funding mechanisms are found which support not just those on benefits but also those on low pay, who cannot afford to personally fund ESOL classes.*
- f) *Ensuring that funding of the Childcare Affordability Project is extended. The Commission learned about the success of this scheme in providing financial support to parents during their transition off benefits and into employment. It was noted that the project had been funded by the London Development Agency and the Department of Children Schools and Families and that a 'CAP2' was in the process of negotiation.*

Recommendation Two

The Commission heard in detail about the City Strategy Pathfinder pilot project in Hackney and went on a site visit to meet participants, providers and managers of the programme at the Pembury Estate.

Recommendation

*The Commission commends the success achieved so far by the **City Strategy Pathfinder** programme and recommends that the Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games:*

- a) *Ensures that the programme continues to be internally resourced and lobbies externally for continuation of the programme from June 2009 until 2011, to allow for procurement of services and some stability to be maintained in the programme.*

- b) *Ensures that the Council and Team Hackney partners support the CSP itself as employers, with a greater focus on apprenticeships for local people, sharing supply chain information and making greater efforts to recruit locally.*
- c) *Ensures that employment support is considered as a core service by Hackney Homes and also progressed by the Better Homes Partnership of Team Hackney.*

In addition the Commission suggests that an evaluation and next steps report on the Ciity Strategy Pathfinder in Hackney could be prepared for consideration at Full Council.

Recommendation Three

The Commission learned about the use of employment and job creation clauses in Section 106 Planning Agreements and explored how these might be used in a more targeted way to support employment creation.

Recommendation

*The Commission recommends to the Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games produces a report for both the Commission and the Regulatory Committee on the principle of providing clear guidance to planners on the use of **S106 agreements for employment and job creation**. The report should explore the policy framework for planners around the issue of mitigating the effects of development and the role of the Regeneration Delivery Framework document should be foregrounded. The report should build on work currently underway with the London 2012 developments and explore a business case for 'On Site' to take on an expanded role of S106 support and implementation, on all major sites, to ensure an integrated offer within the construction sector for residents, developers and contractors.*

Recommendation Four

The Commission was most appreciative of the support of Job Centre Plus and its agencies in carrying out this review and in particular during its focus groups learned about the experiences of some Hackney residents who are on Incapacity Benefit or Employment and Support Allowance. We learned about their views on the support they currently receive and how this might be improved as well as their views on the welfare reforms.

Recommendation

The Commission recommends to the Economic Development Partnership of Team Hackney that it seeks input from Job Centre Plus, as a member of the EDP, on progressing the following issues which the Commission identified during its evidence gathering:

- a) *Maintaining a focus on **supporting those furthest from the labour market** and to develop approaches which ensure that these clients do*

- not suffer because of any shift of priorities as a result of the economic downturn;*
- b) **Better signposting and referral mechanisms** for Incapacity Benefit and Employment and Support Allowance clients and better follow up for those participating in Work Capability Assessments;
 - c) *More sensitive operation of the Work Capability Assessments to ensure that those with **mental health support needs** are not disadvantaged vis-à-vis those with physical impairments;*
 - d) *Extending, where possible, the provision of **Job Centre Plus Advisers** in Children's Centres and of **Disability and Employment Advisers** working with the Community Services Directorate's Access and Care Management Team;*
 - e) *Extending specific **interventions to support lone parents** in particular over the next two years when the welfare reforms will tighten the eligibility to lone parent benefit and thus risk increasing child poverty or social exclusion for some clients.*

It also recommends to the EDP that in taking forward the City Strategy Pathfinder project in the borough that above issues be taken into consideration.

Recommendation Five

The Commission heard from a GP and from Primary Care Trust and Mental Health Trust officers on the support they provide to clients on health related benefits.

Recommendation

*The Commission welcomes the commitment made at its meeting by the City and Hackney Teaching Primary Care Trust to work with Job Centre Plus on the extension of **employment advice in doctors surgeries and in the new South East Resource Centre**. The Commission requests the Thriving Healthy Partnership of Team Hackney to seek input from the Chief Executive of the City and Hackney Teaching Primary Care Trust on how this welcome initiative is being progressed.*

Recommendation Six

The Commission learned from the Principal of Hackney Community College about how they support, particularly those on health related benefits, back into training or employment. It also welcomed the development of the Hackney Skills for Employment Strategy.

Recommendation

*The Commission recommends to the Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games to report to the Commission on 12 January 2010 on the **implementation plan of the Hackney Skills for Employment Strategy** including the need for clarity on the co-ordination of information on education and training providers in the borough, so to that there can be better signposting and referral for residents.*

Recommendation Seven

During its focus groups with Incapacity Benefit claimants the Commission was pleased to note how clients held the work of Work Directions in Hackney in such high regard and the successes they were having in transforming clients lives. We learned from Work Directions itself that they receive referrals of mandatory clients from Job Centre Plus but also welcome voluntary clients and we noted that they could deliver additional provision but that they struggled to engage clients who are harder to reach.

Recommendation

*The Commission recommends to the Cabinet Member for Regeneration and the Olympic and Paralympic Games and the Cabinet Member for Community Services that they explore with Team Hackney partners how to **encourage greater take-up of services provided by Work Directions** in the borough. The Commission noted that the wide range of support available to residents on health related benefits could be better promoted to harder to reach groups, in particular using GPs surgeries and the outreach workers in the Council's own Community Services teams and the Economic Development Team. The Commission requests a progress report on this by 12 January 2010.*

Recommendation Eight

The Commission has identified a general need for a more integrated approach to recruitment and apprenticeships by the public sector employers in the borough and the need to promote these as employers of local people. The Commission welcomed the undertaking in the Sustainable Community Strategy and the Regeneration Delivery Framework to explore the establishment of a Public Sector Human Resources Group.

Recommendation

*The Commission requests the Deputy Mayor and the Cabinet Member for Regeneration and the Olympic and Paralympic Games to establish a **Public Sector Human Resources Action Group** to bring together public sector employers in the borough to find joint solutions to vacancy issues, to develop joint local recruitment practices, to set targets for apprenticeship programmes, to promote recruitment of local residents and to support Job Centre Plus in the development of the Local Employment Partnerships (LEPs).*

Recommendation Nine

*The Commission requests the Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games to ensure that the forthcoming "**Cross Cutting Review on Worklessness**" takes forward the Commissions' recommendations and gives some consideration to issues such as regional and sub regional lobbying via an MAA and the need to explore further the impact of the **informal economy** in the borough.*

End of summary.

3 FINANCIAL COMMENTS

- 3.1 This report and its recommendations in section 2 do not give rise to any direct financial consequences. However, implementing the recommendations will be based on appropriate funding awarded or received.

4 LEGAL COMMENTS

- 4.1 This report has been drafted following the work done by the Community Safety and Social Inclusion Scrutiny Commission to see how the council and its partners could assist in supporting those on incapacity benefits and/or on childcare support to return (or indeed to start) paid employment.
- 4.2 A number of policy reports and specific evidence gathering exercises have been undertaken and considered which has led to the nine recommendations and additional informatives being made.
- 4.3 The recommendations themselves evolve around the changes being introduced by the Welfare Reform Act 2007 ('the Act') which came into effect on the 3rd May 2007.
- 4.4 The Act has for example replaced Incapacity Benefit and Income Support for all new claims based on incapacity and/or disability from 27th October 2008 with the Employment and Support Allowance (ESA).
- 4.5 The recommendations also look to utilise and benefit from any 5 borough Multi Area Agreement (MAA) and the Council's regeneration programme, including the 2012 Olympic and Paralympic Games.
- 4.6 In order to benefit from such regeneration programmes the recommendations seek to more effectively utilise Section 106 agreements, which enable improvements within the public realm and/or environment when the council is allowing for developments under the Town and Country Planning Act 1991.
- 4.7 There are no other legal or propriety comments on the report at this stage.

5 FINDINGS

Evidence for this review was gathered during five Commission meetings a site visit and meeting with residents held at the Pembury Estate and two in-depth focus groups organised for the Commission by Continental Research on 24 February. In what follows, we draw out the main themes of our findings and more detail can be found in the minutes of the meetings (listed under 'background reading') and the final report on the Focus Groups which is attached as an appendix.

5.1 A regional/sub regional approach

- 5.1.1 Broadly speaking the approach to tackling worklessness in Hackney involves a four pronged approach: (i) creation of jobs and growing the economy, (ii) ensuring our potential workforce has the right skills, (iii) improving our levels of employability and (iv) engaging those who are excluded¹³.
- 5.1.2 The Council is of course not the key player here. The majority of activity is carried out or funded by statutory organisations. However, it is vital that the Council's work links in and continues to add value to what they do. The key players here are Jobcentre Plus and the Learning and Skills Council and both of these sit round the table with the Council in Hackney's Local Strategic Partnership, known as Team Hackney. Team Hackney itself has an Economic Development sub Partnership which brings strategic leadership to the issue and commissions additional support to deliver on the Partnership's Local Area Agreement (LAA) targets.
- 5.1.3 Currently there are 8 "LAA indicators" in the area of worklessness on which Team Hackney's performance will be assessed. In addition there are two "stretch" targets which Team Hackney partners have selected themselves and which demonstrate its commitment to supporting more Incapacity Benefit claimants and lone parents into employment. These two targets are for the "number of LB Hackney residents who are lone parents and are being assisted by LAA funding into sustainable employment" and "the number of LB Hackney residents who have been in receipt of incapacity related benefits for a minimum of 6 months, assisted by LAA funding into sustainable employment".
- 5.1.4 Jobcentre Plus provides a variety of mandatory programmes via the 'New Deal' and other programmes as well as 'Pathways to Work' which supports those on incapacity benefit. The latter is delivered via the private company Work Directions. The other main player is the Learning and Skills Council. From April 2010 the LSC will be dissolved and the responsibility for funding education and training for 16-18 year olds will be transferred to local authorities. To replace the LSC the government has created a Young People's Learning Agency (YPLA), the Skills Funding Agency (SFA), Ofqual and a new agency to carry out the non regulatory function of the Qualifications and

¹³ Briefing to Commission on 12 November 2008

Curriculum Authority. This restructure came about as a result of the Leitch Report *Global Prosperity for All - World Class Skills* (Dec 2006) and from it the SFA will focus on adults, providing the National Apprenticeship Service, Train to Gain, Adult Advancement and Careers Service and Learner Responsiveness.

- 5.1.5 The Commission learned that the Council's own initiatives to tackle Worklessness are led by the Partnership and Investment Team in the Neighbourhoods and Regeneration Directorate. Their initiatives include the Olympics Local Employment and Training Framework (LETF), the Olympics Jobs Brokerage and the City Strategy Pathfinder, which is detailed in section 5.2. The Commission also learned about the work they do in advancing the use of planning obligations (known as Section 106 agreements) to support employment and job creation. These are more commonly used for improvements to the public realm. This is detailed more in 5.3 below.
- 5.1.6 The Commission also learned in detail about Team Hackney's 'Worklessness Model'. The Economic Development Partnership undertook a review of training and employment support provision in the borough and a number of pilot projects were commissioned to deliver on the Partnership's LAA targets. These focussed on supporting three groups: 18-24 yr olds, 18-24 yr old black males and economically inactive residents into employment.
- 5.1.7 A final report on these interventions has just been completed and will be studied closely by the EDP. The Partnership is now researching and developing new commissioning opportunities for 2009-11 and it is anticipated that they will include outcomes relating to getting people on IB and lone parent benefits back into employment who are not in contact with statutory services and will build on the success of the CSP model. Consultants have been employed by Team Hackney to develop the specification for reviewing the delivery of the CSP and they are also reviewing future commissioning to ensure that it is fully aligned with Team Hackney's strategic priorities.
- 5.1.8 The Commission acknowledged very early on in its evidence gathering that solutions to worklessness and interventions to support those on health related benefits or with childcare needs will have to be tackled at a higher sub-regional or regional level. When we heard from Job Centre Plus or Work Directions or medical professionals or most especially when we heard from residents who are IB claimants themselves, it became clear that there were a number of specific solutions which could assist them, but these could only be implemented at a national level by Department of Work and Pensions.
- 5.1.9 The Commission learned about the ongoing discussion between The Mayor and his counter parts in Newham, Tower Hamlets, Walthamstow and Greenwich, to establish a Multi Area Agreement. This would be a large joint Multi-Area Agreement and the aspiration is that with five 'Olympic' boroughs streamlining their approach central government would respond positively to this by recognising their commitment and introducing a greater degree of flexibility in how problems can be tackled on the ground.

- 5.1.10 The Commission learned in some detail about the problem of the “benefits trap” and in particular Housing Benefit needs as a particular barrier to residents entering the labour market. We learned that many claiming Incapacity Benefit have calculated (rightly or wrongly) that they are better off and more secure in receipt of wide package of benefits, which they have built up over a number of years. For those far removed from the labour market or who have been on benefits for a long time, lack of confidence about entering the job market again is a major barrier. Residents in our focus groups for example talked about the complexity and stress for them of trying to re-establish their full set of benefits if their job failed. We learned about how the Economic Development Partnership had won (as part of a pilot project within the 2007 LAA), an extension of the in-work Housing Benefit provision for residents from 3 weeks to 6 weeks for those taking up employment. It became obvious that greater support for individuals in the first weeks back at work was crucial if these clients were to remain in employment and a system of graduated reduction in housing benefit, for example over a three month period, would greatly assist these clients. Handling debt repayments when benefits or debt insurance stops, managing a budget with a higher income and managing childcare during the transition period can prove major stumbling blocks for vulnerable clients many of whom may not have worked for many years. Members concluded that greater flexibility, such as with other non-taxable financial incentives being offered to benefit recipients once they are in work (for at least three months) would pay off in the longer term.
- 5.1.11 The Commission learned again in this review (as it did in *Supporting Socially Excluded Adults* and *Growing a Local Economy*) about the complexities of the benefits system, particularly when claimants are taking vocational training courses. While it noted that the benefits system had to set limits it learned that individuals were often prevented from continuing with established courses of study of their choice and forced instead to move to, what they often considered to be inferior quality or less relevant courses, or else risk losing their benefits.
- 5.1.12 The Commission learned from providers about the impact of the cuts in ESOL funding and Members expressed their support for the Campaigning Alliance for Lifelong Learning (CALL) and the call from the Educators Forum (which is a lobbying group representing the Turkish, Kurdish and Cypriot Turkish community in the UK) to create an ‘ESOL and Employment Network’ to lobby for better provision of ESOL (English for Speakers of Other Languages). Two particular aspects resonated with Members, firstly that the shift of focus of funding provision in favour of supporting the lowest level of provision as against advanced levels meant that many students of ESOL were being disadvantaged as they needed to attain a higher proficiency English to enable them to progress beyond just entry-level or low paid jobs. The Commission learned about innovative interventions here such as the joint project between Hackney Community College and the Metropolitan Police to provide tailored ESOL courses to assist candidates in their attempts to become local Support Assistants with the police. Members also heard about how the shift of focus in funding of ESOL was particularly impacting on those on low pay. Fees have now been brought in for all those in employment and this has impacted

seriously on those on low pay. The Commission learned that the numbers have dropped in Hackney Community College's ESOL intake and that HCC was working with the Hackney Refugee Forum to address this issue. Commission Members all expressed a concern that ESOL support was crucial in a borough like Hackney to encourage social cohesion and promote prosperity and would request the Mayor and Cabinet to lobby on this issue wherever possible.

5.1.13 The Commission heard from a number of those giving evidence, including from officers of The Learning Trust, about the benefits of the 'Childcare Affordability Project – Transition to Employment' (CAP). This was a successful project which provided funding for parents to support their ability to become employed or become more employable. It supported over 400 parents by allowing them to apply for direct funding for their childcare to allow them to attend training courses, look for work or return to work. It was funded by the London Development Agency (LDA) and the Department of Children Schools and Families (DCSF) and it was noted with regret that funding was due to finish in March 2009. The Commission also learned that The Learning Trust has been asked to take part in the DCSF Steering Group to assess what would replace the CAP. The LDA also funded a "Childcare and Employment Advisor" in Children's Centres and the CAP project constituted one of the funding streams for the child care support aspect of the City Strategy Pathfinder project. It was noted many times in our evidence gathering that lack of adequate child care support was a significant barrier for many returning to work. In our focus groups a number of those who are on long term incapacity benefit had in effect ruled out ever returning to work "because I have children".

5.1.14 The Commission welcomed Cllr Taylor, Chair of the Children and Young People Scrutiny Commission to one meeting where, as well as discussing initiatives such as the CAP, Members heard from Cllr Taylor about the findings of his Commission's scrutiny review on "Provision of 0-5 years services in Hackney" published in February 2009. The Commission endorsed the findings of that review and noted in particular that a key issue was not so much the extent of provision but rather the level of take up and that further outreach work and better integration of services and systems needed to take place. Members discussed with Cllr Taylor and officers the tension in public policy terms of forcing lone parents back into the labour market which could count against them being effective parents if they did not have sufficient or appropriate child care support in place. Therefore, society's desire to help children by making their parents better off might end up working against the children's best interests.

5.1.15 Members heard about projects such as Barnardo's CANDL project "Strengthening Families, Strengthening Communities" which helps develop parents self worth and gives them the confidence to face the world of work. We also learned about the work of the social enterprise 'Women Like Us' in Hackney, who receive funding from the Council and who support women with children to find flexible work. They provide career coaching for individuals and also help employers source experienced local part time staff.

5.1.16 Finally Members learned that contracts with DWP and JCP are currently procured on a regional or sub-regional basis (e.g. Pathways to Work) and there is no input from local agencies nor is enough being done to consider unique local needs such as, in Hackney, the needs of the Turkish/Kurdish or the Charedi communities. We learned from Team Hackney of its wish that future budgets would be devolved and contracts would be procured locally with local authority and other partner input.

Recommendation One

The Commission recommends to the Mayor and Cabinet that worklessness be a key theme of any proposed 5 borough **Multi Area Agreement (MAA)**. The Commission acknowledges that five boroughs working together should have significantly more influence on the regional and sub-regional agenda, where the problem of worklessness needs to be tackled.

Recommendation

The Commission recommends that any MAA addressing the issue of tackling worklessness should include a requirement to lobby the Department of Work and Pensions and other government departments for:

- a) *Increasing the devolution of mainstream funds to be commissioned through local partnerships.*
- b) *The development of re-investment mechanisms for benefit savings, to ensure a longer term sustained approach to tackling entrenched worklessness beyond 2011.*
- c) *Increased flexibility on the extension of in-work benefits, Housing Benefit and in-work financial support during the transition period for those going off health related benefits and starting employment, in order to ensure that their employment is sustained.*
- d) *Increased flexibility to allow those claiming benefits to remain on appropriate and established vocational courses of their choice, rather than being forced onto similar courses, accredited by Job Centre Plus, or risk losing their benefits.*
- e) *Ensuring that cuts to funding of ESOL (English for Speakers of Second Languages) as experienced by major local providers are reversed and that in particular funding mechanisms are found which support not just those on benefits but also those on low pay, who cannot afford to personally fund ESOL classes.*
- f) *Ensuring that funding of the Childcare Affordability Project is extended. The Commission learned about the success of this scheme in providing financial support to parents during their transition off benefits and into employment. It was noted that the project had been funded by the London Development Agency and the Department of Children Schools and Families and that a 'CAP2' was in the process of negotiation.*

5.2 City Strategy Pathfinder - engaging the housing sector in tackling worklessness

- 5.2.1 Members learned in detail about Hackney's City Strategy Pathfinder project both from presentations from the Partnership and Investment team officers and from the Cabinet Member but also first hand when Members went on a Site Visit to the Pembury Estate, hosted by Peabody Homes, where Members met providers, managers and most importantly residents who were benefiting from this innovative project.
- 5.2.2 City Strategy Pathfinder (CSP) was launched by DWP in May 2005 with the aim of tackling embedded unemployment and alleviating child poverty. Hackney is part of the East London CSP and its approach was to create a new partnership to tackle worklessness with a focus on building engagement with residents via the local housing providers. The programme includes funding to fill gaps in existing provision locally and one key strand has been "Ways into Work" which works with housing providers to identify residents who would benefit from training and support to find a job. The programme has sought to transform the way that the Council engages with those residents who are not economically active. Key to the approach was to establish a social housing outreach team and single points of access for residents, including local delivery of the key elements. It backs up the engagement programme by ensuring that individuals benefit from the basic skills and technical skills support as well as providing direct access to employers. It has involved the 6 major Registered Social Landlords (RSLs) operating in the borough as well as the ALMO - Hackney Homes, as they key players. Hackney's worklessness problem is most acute amongst its social housing residents and this population contains high levels of IB claimants and families facing child poverty. The project had received £3.2m in funding and would reach 30,000 households or half of all the social housing in the borough.
- 5.2.3 Hackney's CSP programme creates a link between this group of residents and the available jobs by helping residents to overcome their barriers via personal development (confidence, communication skills), language and vocational skills jobs matching and in-work support. It uses the housing providers' trusted status amongst residents and local networks to disseminate information. The work is done via their own local infrastructure e.g housing offices and community centres. The Commission saw for itself the transformation in the lives of the people it had met who are on the programme. Members were most impressed with the high level of commitment and motivation of the residents who are either working for the programme as outreach workers or being assisted by it into employment. This combination of using people on the ground and using the housing providers as a vehicle is now bearing fruit.
- 5.2.4 Ten months into the pilot in February 2009, **1,722** clients had been registered with the programme (against annual target of 1500) and **1,225** people have been given employment support. **556** jobs had been secured of which 96 were parents, 81% are from BME groups and 43% are women. By the end of

the year they expect to have surpassed their target of 600 and secured 650 jobs in all.

- 5.2.5 Members were most impressed by the approach of Talent the recruitment agency employed on the project. Members saw at first hand their innovative approach to engaging clients who are far removed from the labour market. Many have no CVs, have been leading chaotic lifestyles and have had no success with any Jobcentre Plus programmes. Talent's focus on neighbourhood access and providing personalised support and on starting from the beginning by building clients self esteem, was most impressive. By focusing on pre-employment training, essential for those who had never worked or had not worked in over 20 years they were able to secure jobs for even the most challenging of clients. They had also built up excellent relations with large local employers in East London who trusted them to support clients during their difficult transition period.
- 5.2.6 The second key provider on the scheme is Renaisi who run the 'support to parents' aspect of the scheme which provides co-ordination of services to parents and customised support. It builds on existing professional provision, alerts clients to suitable vacancies for parents and provides on-going support. Part of the funding stream for this was from the Childcare Affordability Project, mentioned above. Members learned that Renaisi was providing services at four strategic Children's Centres (Ann Tayler, Linden, Woodberry Down and Seabright) to provide advice and support to parents/carers wishing to consider entering employment.
- 5.2.7 Members were told that CSP is not a special employment project but rather a pilot to test whether agencies, other than Jobcentre Plus are able to deliver a mainstream complementary employment service. It aims to develop a borough wide offer to residents and to explore how extending this offer beyond employment might also be considered, using the model to promote healthy living for example. A key aspect is that it establishes best practice for the involvement of the housing sector in worklessness nationally.

Recommendation Two

The Commission heard in detail about the City Strategy Pathfinder pilot project in Hackney and went on a site visit to meet participants, providers and managers of the programme at the Pembury Estate.

Recommendation

*The Commission commends the success achieved so far by the **City Strategy Pathfinder** programme and recommends that the Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games:*

- a) *Ensures that the programme continues to be internally resourced and lobbies externally for continuation of the programme from June 2009 until 2011, to allow for procurement of services and some stability to be maintained in the programme.*

- b) *Ensures that the Council and Team Hackney partners support the CSP itself as employers, with a greater focus on apprenticeships for local people, sharing supply chain information and making greater efforts to recruit locally.*
- c) *Ensures that employment support is considered as a core service by Hackney Homes and also progressed by the Better Homes Partnership of Team Hackney.*

In addition the Commission suggests that an evaluation and next steps report on the Ciity Strategy Pathfinder in Hackney could be prepared for consideration at Full Council.

5.3 Use of planning obligations to tackle worklessness

- 5.3.1 The Commission learned from the Partnership and Investment team about use of “planning obligations” as part of the planning system to contribute to tackling worklessness. Section 106 of the Town and Country Planning Act 1991 provides that anyone with an interest in land may enter into a “planning obligation” enforceable by the local planning authority. These may restrict development or use of land, require operation or activities to be carried out there, require land to be used in a specified way or require payments to be made to the planning authority either in a single sum or periodically. These usually involve payments by developers, as part of S106 agreements, to “prescribe against, mitigate and compensate for negative externalities” created by their development. Traditionally S106 agreement contributions have been used mainly to fund environmental or public realm improvements, but they can also be used in an innovative way to assist in funding with affordable housing, employment and job creation projects.
- 5.3.2 Members learned that in Hackney the S106 process was recently reviewed to ensure co-ordinated delivery of the stipulated contributions. We learned that funding from S106 agreements cannot be used to plug a funding gap and that the agreements stipulate both ‘tied’ and ‘untied’ funding. The former are linked to a place or site and the latter can be used for a particular intervention, for example, a borough wide one. It was noted that as of September 2008 there was £2.7m in the S106 pot designated for employment and job creating use and £3.5m for education and training and members learned about some of the projects funded to date such as the Hot House, the Dalston Culture House and the Youth and Community Apprenticeship Training Programme. It was noted that S106 agreements came under the regulatory arm of the Council and the key issue was that planners are given clear guidance to operate the system to its full potential considering that use of the system is tightly prescribed in law. It was noted that the Regeneration Delivery Framework document would set the framework within which S106 agreements operate locally.

Recommendation Three

The Commission learned about the use of employment and job creation clauses in Section 106 Planning Agreements and explored how these might be used in a more targeted way to support employment creation.

Recommendation

*The Commission recommends to the Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games produces a report for both the Commission and the Regulatory Committee on the principle of providing clear guidance to planners on the use of **S106 agreements for employment and job creation**. The report should explore the policy framework for planners around the issue of mitigating the effects of development and the role of the Regeneration Delivery Framework document should be foregrounded. The report should build on work currently underway with the London 2012 developments and explore a business case for 'On Site' to take on an expanded role of S106 support and implementation, on all major sites, to ensure an integrated offer within the construction sector for residents, developers and contractors.*

5.4 Job Centre Plus and the Welfare Reforms

- 5.4.1 The Commission was pleased to be supported in this review by both Jobcentre Plus and Work Directions. The latter are contracted by JCP to operate the Pathways to Work programme for those on Incapacity Benefit and they also support Hackney clients on Income Support and in receipt of the new Employment and Support Allowance into employment, volunteering or life courses.
- 5.4.2 Members heard in detail from Jobcentre Plus about the operation of the 'Local Employment Partnerships', the 'New Deal for Lone Parents' the changes to the 'Lone Parent Obligation' and the changes to 'Income Support' and 'Job Seekers Allowance' for all parents. They learned also about the 'Pathways to Work' programme and the operation of the 'Employment and Support Allowance' which was introduced on 27 October 2008 for all new claimants and which replaces 'Incapacity Benefit'. Members discussed in detail the operation of the new 'Work Capability Assessments' which replace the 'Personal Capability Assessment' and the 'Work related activity component' of the new system. They also discussed these with medical professionals from the health trusts and they formed a key element of the focus group discussions. The ESA separates all claimants into one of two groups – a Work group or a Support Group. The latter is for those whose level of incapacity would prevent them from working and the former involves working with claimants who could do some part time work for example to prepare them for employment or training or volunteer work. Members also received an overview of the features of the "Flexible New Deal" and an update on the progress of what was then the green paper on the welfare reforms and is now the Welfare Reform Bill 2008-9.

- 5.4.3 Members learned about the operation of the service level agreements which JCP has with its providers. These agreements reduce the number of avenues for employers in engaging with the system and so should drive up efficiency. They also ensure that JCP doesn't poach employers from providers and allows providers to maintain and develop relationships with clients. As of October 2008 367 employers were signed up for Local Employment Partnerships and 883 job outcomes had been secured in the East London district as well as 328 work trails. It was noted that the Flexible New Deal would not commence in Hackney until 2010 because Hackney had a City Strategy Pathfinder project in place.
- 5.4.4 Members learned about future proposals going out for consultation including tougher sanctions for those who refuse to take either a job or take steps to get a job, mandatory training for those who need more skills, offering lone parents with pre-school children extra benefit in return for developing work skills, introducing full disregard of child maintenance payments when calculating benefits and requiring people with crack cocaine or opiate addiction to attend drug treatment in return for receiving benefits, extending 'Pathways to Work' like support to all IB customers (with trials starting in 2010), assessing existing IB customers with a view to moving them all onto ESA or JSA depending on capability for work and introducing legislation to abolish Income Support and move customers to either income based JSA with appropriate conditionality or onto ESA.
- 5.4.5 Members heard from officers from the East London NHS Foundation Trust, the City and Hackney Teaching Primary Care Trust, a GP and City and Hackney Mind on the range of local support for those on health related benefits and the challenges these providers face. They noted the work of the "Moving On" project (funded as part of Team Hackney's "Worklessness Model") as well as the work of Mellow (mentoring young males on employment and housing issues) and Akaba (who work with young Afro-Caribbean males). It noted that there was a Hackney Vocational Action Group to co-ordinate activity at ground level while at a more strategic level, the PCT, mental health trust and the Council representatives met monthly in the Social Inclusion Board. All the mental health practitioners urged for greater sensitivity around the operation of the Work Capability Assessments for those with mental health support needs. Members learned that receiving letters about impending interviews for example can cause great anxiety to these clients and there was a need for JCP officers to be more understanding of clients with mental health needs who might miss appointments. They might be unable to go out on the appointed day or might be in distress or be experiencing problems managing their condition or their medication. The mental health practitioners stated that joint assessments with DWP appointed medical officers would be preferable and added that Occupational Therapists in the Mental Health Trust would have a closer and deeper relationship with clients than any DWP appointed assessors.
- 5.4.6 The Commission heard from the Council's Access and Care Management Team in Community Services about the success of the JCP Disability and Employment Adviser who supports clients under their care and from The

Learning Trust about the Job Centre Plus Advisers who work part time in some of Hackney's Children's Centres. Members very much welcomed these approaches to integrating service provision to providing a more holistic response to clients needs.

- 5.4.7 In the focus groups Members heard some criticism from IB claimants of the degree of signposting or referral when they first approach a Job Centre Plus office. Members were also struck by the very positive response of focus group participants to the personalised approach employed by Work Directions. Whilst acknowledging that Job Centre Plus has a much wider remit than Work Directions, in that it also operates and polices a benefits system as well as providing job finding service, Members would suggest to Job Centre Plus that perhaps some lessons could be learned from Work Directions more customer focused approach.
- 5.4.8 Members learned that the Council's Learning Disabilities Service ran a joint service with the PCT covering social services, psychological services, day services and employment support and explained about the Hackney Recruitment Partnership which matched clients with learning disabilities with employers for part/full time employment or volunteering. In December 2008 106 clients were being supported. Members learned about the creation of a Learning Disability Employment Partnership which would be led by the Director of Community Services and which would progress issues such as the "Valuing People" project which was about developing career opportunities in the Council (beyond just work trials) for those with learning disabilities. Members learned that for the most part the clients of the Learning Disabilities Service were in receipt of Income Support as they would not have accrued enough national insurance contributions to receive IB. Likewise the Council's Access and Care Management service users had critical and substantial disability to the extent that they would not be affected by the welfare reforms and if assessed under the ESA would certainly fall into the 'support' rather than the 'work' group.
- 5.4.9 Members learned from the Learning Disabilities Team about some unfortunate disincentives built into the system for those with learning disabilities. If these clients went into part time work or training for example, and they lived with a carer then the carer's own "carers allowance" would be reduced by the amount the client earned. This operated as a major disincentive for carers to encourage those in their care to participate in any employment programmes.
- 5.4.10 Members also explored with officers the issue of those who are in private rented sector accommodation and in receipt of Housing Benefit who are caught in a similar benefits trap as they would not be able to earn enough in employment to pay private sector rents, particularly if they were also supporting large families. It was noted that at any time there were between 800-1000¹⁴ people in the borough in private rented sector accommodation in receipt of housing benefit. It was noted that this was not just a local issue but a national one and it would have to be addressed by the Treasury.

¹⁴ Presentation from Housing and Regulatory Policy team at 13 January 2009 meeting.

Recommendation Four

The Commission was most appreciative of the support of Job Centre Plus and its agencies in carrying out this review and in particular during its focus groups learned about the experiences of some Hackney residents who are on Incapacity Benefit or Employment and Support Allowance. We learned about their views on the support they currently receive and how this might be improved as well as their views on the welfare reforms.

Recommendation

The Commission recommends to the Economic Development Partnership of Team Hackney that it seeks input from Job Centre Plus, as a member of the EDP, on progressing the following issues which the Commission identified during its evidence gathering:

- a) *Maintaining a focus on supporting those furthest from the labour market and to develop approaches which ensure that these clients do not suffer because of any shift of priorities as a result of the economic downturn;*
- b) *Better signposting and referral mechanisms for Incapacity Benefit and Employment and Support Allowance clients and better follow up for those participating in Work Capability Assessments;*
- c) *More sensitive operation of the Work Capability Assessments to ensure that those with mental health support needs are not disadvantaged and vis-à-vis those with physical impairments;*
- d) *Extending, where possible, the provision of Job Centre Plus Advisers in Children's Centres and of Disability and Employment Advisers working with the Community Services Directorate's Access and Care Management Team;*
- f) *Extending specific interventions to support lone parents in particular over the next two years when the welfare reforms will tighten the eligibility to lone parent benefit and thus risk increasing child poverty or social exclusion for some clients.*

It also recommends to the EDP that in taking forward the City Strategy Pathfinder project in the borough that above issues be taken into consideration.

5.5 Public Health and Wellbeing aspects of worklessness

- 5.5.1 The Commission heard from officers from the City and Hackney Teaching Primary Care Trust (CHtPCT) and from a Hackney GP who chairs the PCT's Commissioning Clinical Executive. They argued for a holistic approach to employment addressing housing, health, welfare and childcare needs as well. It was suggested that provision of benefits and employment advice in GP practices, when delivered by a knowledgeable worker, would greatly benefit practice users and increase the uptake of benefits for those in need.

- 5.5.2 Members heard from a local GP about the “mental health collaborative project” which ran for two years in a number of practices across Hackney and which aimed to identify those with mental health needs and to signpost them to appropriate services and provide assistance to them with issues such as employment. There had been a significant drop in consultation rates for those who were availing of the programme.
- 5.5.3 Members welcomed the news that the PCT was in the process of commissioning access to counselling services which would be embedded in GP practices. These cognitive behavioural therapies would be of particular benefit to those on IB.
- 5.5.4 It was noted that the medical practitioners who gave evidence welcomed the general thrust of the welfare reforms as they felt that the previous system was weighted too heavily in favour of an illness model. The focus of the new system was more on what people were capable of doing rather than on what they can't do. It was noted that they were wary of the element of compulsion in the new system and of the policing role imputed to GPs. They informed the Commission that it would not be helpful to put GPs in a policing role in relation to patients' benefits status and that updated guidance for GPs on their responsibilities in these matters had recently been issued. They stated that GPs could be involved in these decisions to the extent that they give a medical view on a case and provide a signposting role, but decisions on work capability assessments would have to be made elsewhere. Members noted that over a three year period it was estimated that 90% of people see a GP and therefore it was sensible for GP practices to develop as wider resource centres. Members heard about the plans for a South East Resource Centre and that the PCT would welcome discussions with JCP on developing the provision of employment advice at the centre. Members noted that the Children and Young People Scrutiny Commission's "0-5 service provision" review had raised the issue of provision of additional advisors in Children Centres and there would be a need for some co-ordination of such provision between Children Centres and 'polyclinics' or their equivalents.

Recommendation Five

The Commission heard from a GP and from Primary Care Trust and Mental Health Trust officers on the support they provide to clients on health related benefits.

Recommendation

The Commission welcomes the commitment made at its meeting by the City and Hackney Teaching Primary Care Trust to work with Job Centre Plus on the extension of **employment advice in doctors surgeries and in the new South East Resource Centre**. The Commission requests the Thriving Healthy Partnership of Team Hackney to seek input from the Chief Executive of the City and Hackney Teaching Primary Care Trust on how this welcome initiative is being progressed.

5.6 Hackney Skills for Employment Strategy

- 5.6.1 The Commission heard about the “Hackney Skills for Employment Strategy” which was developed by a sub-group of Team Hackney’s Economic Development Partnership. It was tasked with coming up with a set of recommendations to help guide the skills infrastructure in the borough. It came up with 10 recommendations. Members commended the work that went into developing the strategy and supported a number of its findings including the need for better co-ordination of information, advice and guidance services (including a comprehensive list of training provision in the borough) and ensuring that skills provision is aimed at progression and employability. The Commission looks forward to receiving the Implementation Plan for the strategy from the EDP.
- 5.6.2 The Commission also heard about the role of Hackney Community College in tackling worklessness and in particular in how they support those on health related benefits or in receipt of childcare support or benefits into employment. Members were impressed with both the breadth of courses (300) and the depth of provision at HCC (entry level to post graduate). Members were pleased to hear that embedding ESOL and basic skills in vocational programmes was a priority for the college as was promoting careers education and external progression for students. Increasing access points and childcare provision and ensuring all courses meet employers’ needs were also priorities. Again they heard that extended benefit protection would remove disincentives for groups to participate in employment. Some of the financial barriers which needed to be addressed for students include affordable child care and the introduction of fees for ESOL for anyone who is in employment. This adversely affected the low paid. Members also heard a call for artificial barriers between JCP and other training programmes to be lifted and for large employers to be encouraged to participate in apprenticeship schemes. Members learned that HCC has lost £1.2m in funding last year because of a shift of focus in government funding provision away from funding short part time courses towards longer ‘full level 2’ courses.

Recommendation Six

The Commission learned from the Principal of Hackney Community College about how they support, particularly those on health related benefits, back into training or employment. It also welcomed the development of the Hackney Skills for Employment Strategy.

Recommendation

*The Commission recommends to the Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games report to the Commission on 12 January 2010 on the **implementation plan of the Hackney Skills for Employment Strategy** including the need for clarity on the co-ordination of information on education and training providers in the borough, so to that there can be better signposting and referral for residents.*

5.7 How Work Directions support IB claimants and claimants own views on the welfare reforms and the support they receive

- 5.7.1 The Commission learned from Work Directions about how it supports residents who are on Incapacity Benefit, Income Support or the new Employment and Support Allowance in Hackney. Work Directions is part of an international group, Ingeus, with 20 years experience of welfare-to-work programmes. They run 6 Pathways to work programmes in the UK and work with JSA, lone parent and IB/ESA customers. 'Pathways to Work' was the first time mandatory activity existed for people on health related benefits. Nationally there are 2.6 million people on Incapacity Benefit.
- 5.7.2 Members learned that Work Directions receive mandatory customers referred to them from Jobcentre Plus but also receive voluntary customers who are on IB or IS on the grounds of ill health. Those with the most severe health conditions are exempt. Mandatory clients have to attend 5 monthly work-focused interviews, however all other participation is voluntary. Work Directions devise a "personal pathway" to employment for each client and deliver job brokerage and condition management programmes. Condition management is about identifying and reducing people's health-related barriers to work and involves physiotherapists, psychologists and occupational therapists and is overseen by lead health professions. An important part of this is challenging and changing beliefs and behaviours. The aim is to educate clients about their health condition and empower them to manage their health better. One-to-one or groups workshops/classes cover managing injury and illness, coping with pain, health and exercise advice, coping with depression, anxiety and stress and building confidence and motivation.
- 5.7.3 The Commission learned that in Hackney 1000 mandatory clients have started on the programme and 250 people have volunteered since December 2007. 59% of voluntary clients have moved into employment and they are on target to exceed 50% over the life of the contact. Work Directions was working with "On Site" the Hackney job brokerage and with London Organising Committee for the Olympic and Paralympic Games (LOCOG) to place clients into London 2012 vacancies. They received cross referrals from a range of health organisations including City and Hackney Mind and referred clients to agencies covering such areas as housing and debt advice. IB and ESA clients require a huge amount of support and Work Directions was partnering with other agencies and third sector bodies to provide a more integrated service. Members heard how they worked with the PCT on an "Expert Patient Programme" which involves those with long term health conditions themselves encouraging those who join the programme to engage fully. They also worked with the Homelessness Project and with the police's "Diamond" project, where ex-offenders are helped not to breach community orders.
- 5.7.4 Members also heard in detail about the work of City & Hackney Mind's 'Education and Employment Service. Their employment team provided tailored support to those with mental health support needs to secure and retain employment or volunteering and they worked with employers to develop work placements or vocational workshops or volunteering options. Their Job

¹⁵ These concerns were also underlined in the recommendations coming from Dame Carol Black's review on the health of the working age population.¹⁶

5.7.5 The Commission learned that since the advent of the ESA Work Directions was seeing a greater proportion of more job-ready clients coming into their programme, as the ESA was capturing more people who were closer to the labour market. It was noted that they continued to support people for 6 months into their employment. They helped clients with accessing in-work credits and other benefits and ensured that they successfully managed the transition period to the extent of helping them fill out and despatch forms to access these benefits. It was noted that Work Directions clients generally went into 16 or 20 hours of work per week at first (rather than the usual 35 hrs for JCP customers). Work Directions did not provide support to lone parents who did not have health related benefits. Members noted that Work Directions assisted clients with making fully informed calculations about the benefits of going back to work but acknowledged that all benefits systems present challenges, as what ever the cut-off point is some people will be disadvantaged. Transport provision and childcare provision were identified as the major barriers for clients returning to work. Members noted a concern about data sharing between Job Centre Plus and contractors such as Work Directions. This remained a particular challenge and meant that clients were often asked to repeatedly provide the same information on numerous forms.

¹⁵ News release from Employers Forum on Disability on response to the welfare reforms, 10 December 2008.

¹⁶ *Dame Carol Black's review of the health of Britain's working age population*. DoH/DWP. 17 March 2008. pp16-17.

5.7.6 A major part of the evidence gathering for this review involved the organisation for the Commission, by the research company Continental Research, of two focus groups with Incapacity Benefit claimants from Hackney. It was acknowledged that if the Commission was to learn directly from residents about the operation of the welfare reforms and their impact on them it would be difficult to get such individuals to speak openly, particularly at a Commission meeting, about either their health conditions or their benefits status. They would also be reluctant to speak openly in front of Councillors or council officers. Research agencies were invited to tender for the provision of the focus groups and following a formal tender process Continental Research was appointed on 8 December to carry out the research. Much work went into recruiting the two sample groups against a detailed set of criteria established to ensure that both groups were both representative of the borough and would be able to cohere effectively on the night. It was decided that one group of 8 would comprise those on health related benefits who were not in any work and were currently not being properly supported. The second group of 8 would involve those on IB/IS and some new ESA claimants the majority of whom were being supported by Work Directions into pre-employment training or part time work or volunteering. The groups were held at a special viewing studio in Old Street called All Global Viewing and excellently facilitated by experienced moderators. Only Continental staff had contact with the participants. A strictly limited number of Members and officers attended to observe the groups from a viewing studio via a two-way mirror. Participants obviously gave full consent and were given shop vouchers as an incentive to take part, to a value that did not affect their benefits status. **A full report on the Focus Groups is attached at Appendix 1.**

5.7.7 The report at Appendix 1 provides a detailed analysis of the findings but among the issues which Members noted from what participants said were the following:

- Referral mechanisms for IB clients from JCP are poor.
- The brief medical interviews (pre ESA) were not considered sufficient to adequately determine how a client could be properly supported.
- The medical review process generates high levels of anxiety and stress and is often detrimental to clients' health, which could be particularly the case with the new medical assessments.
- There was a perception of poor treatment and lack of respect from JCP officers vis-a-vis Work Directions officers.
- There was a perception that JCP officers needed better training on clients medical conditions and on general communication skills.
- General frustration with overly complex bureaucracy, misinformation and being required to repeat the same information in numerous forms.
- The incentives to get off benefits are generally not enough.
- Flexibility with in-work support/benefits would offer a buffer during the transition into employment for those lacking the confidence or the finances to cope during this period.

- Work Directions personalised service and tailored support combined with the supportive atmosphere in their office seems to have a hugely positive effect on clients morale.

5.7.8 Members explored with Work Direction and Ingeus officers the responses from the focus groups and in particular noted the praise for Work Directions more personalised approach. It was noted however that Job Centre Plus Advisers have a much more complicated role and JCP operate and have to police a benefits system as well as providing job search, so it would be unfair to compare the two organisations on this basis. It was noted that most people on Job Seekers Allowance find a job within 6 months and so the level of dedicated support they get from JCP would be limited so there was some logic, in public policy terms, in focusing the higher level of customer support with agencies like Work Directions where providers have to deal with the 10% of cases who need intensive support. Work Directions and Ingeus officers stated that many local authorities who experience frustration with the service provided by statutory agencies such as JCP often attempt to create a parallel or rival provision themselves. They urged Hackney to observe caution here. They stated that the Council has the potential to access to a large number of residents on health related benefits who could be encouraged to volunteer at Work Directions. Those who have been workless for a long period or have no work history are unlikely to be helped by Job Centre Plus and so the priority should be for potential clients to be made aware of the provision which already exists. They suggested that this could be done via housing offices, school, GP surgeries etc. It was noted that Work Directions received from JCP the list of residents who are in receipt of health related benefits in the borough and they did write to them all, but the take up was not as good as it could be. It was noted that in Hackney they only had 30 staff in the Shoreditch office and the priority for them was providing the frontline service rather than marketing/outreach activity.

5.7.9 Work Directions and Ingeus also informed the Commission that where Councils can assist with extending childcare provision for those going off benefits they should. Members learned about LB Southwark's Childcare Support Scheme where they linked provision of free childcare to opportunities for training and support with job search. It was established under the DCSF/LDA "Childcare Affordability Programme" (referred to earlier) and each eligible parent received two days of formal childcare per week whilst job searching, for a maximum of twelve weeks. Once the parent was in employment they received one month's worth of formal childcare fees paid directly to the provider and the programme assisted parents to claim their Working Tax Credits. Since April 2007 880 parents in Southwark have accessed the service.

5.7.10 Members also discussed with Work Directions the policies around "sick notes" and noted Work Directions concerns about the significance for an individual of being 'signed off' long term by a GP if there is no proper support in place to ensure that they can keep in contact with labour market or avail of volunteering or part time or flexible work opportunities which might ease their return to full employment in the future. We learned about Tower Hamlet

PCT's "English for Work Programme" where the PCT funded a programme for those on health related benefits who needed ESOL support and pre-employment training.

- 5.7.11 We learned from Work Directions that between 2010 and 2013 it was anticipated that all those on health related benefits would go through a new health check and that ESA was being envisaged ideally as a short term benefit for claimants. By 2014 it is expected that nobody would remain on IB or IS and all would be on either ESA or JSA. It was noted that there currently wasn't capacity in the system to process the 2.6 million medical assessments which would be required for the system to be completely overhauled.

Recommendation Seven

During its focus groups with residents on Incapacity Benefit the Commission was pleased to note how clients held the work of Work Directions in Hackney in such high regard and the successes they were having in transforming clients lives. We learned from Work Directions itself that they receive referrals of mandatory clients from Job Centre Plus but also welcome voluntary clients and we noted that they could deliver additional provision but that they struggled to engage clients who are harder to reach.

Recommendation

*The Commission recommends to the Cabinet Member for Regeneration and the Olympic and Paralympic Games and the Cabinet Member for Community Services that they explore with Team Hackney partners how to **encourage greater take-up of services provided by Work Directions** in the borough. The Commission noted that the wide range of support available to residents on health related benefits could be better promoted to harder to reach groups, in particular using GPs surgeries and the outreach workers in the Council's own Community Services teams and the Economic Development Team. The Commission requests a progress report on this by 12 January 2010.*

5.8 Public Sector Recruitment and Apprenticeships

- 5.8.1 The Commission, in hearing evidence from Job Centre Plus amongst others, heard that the Local Employment Partnerships and issues such as the provision of apprenticeships would require greater support. Members noted that this was echoed in the final report of the Houghton Review which calls for a national programme to provide up to 50,000 apprenticeships over three years to 2012 and give work experience for approximately 75,000 unemployed people each year. Members also noted the announcement from the Mayor of London that the GLA group would aim to provide more than 3000 apprenticeships over the next three years.¹⁷
- 5.8.2 Members learned from JCP that Local Employment Partnerships have the following features: employers offering work trials, a target number of places for disadvantaged customers, pre-employment training, guaranteed interviews,

¹⁷ News release. *Mayor on course to deliver thousands of new apprenticeships in capital*. GLA. 23 February 2009.

one-to-one employer mentoring, a revised application process for LEP customers, flexible working patterns, further training for LEP customers once in employment and providing facilities for group seminars. JCP re-iterated that they could not do this alone and they require Service Level Agreements with partner/providers to make these work. Nationally the DWP has been calling for greater support from local authorities for rolling out LEPs in every area.

- 5.8.3 The Commission's previous two reviews on "Growing a local economy" and "Supporting Socially Excluded Adults" both explored the issues of how the Council and the other large public sector employers in the borough (the PCT and the Homerton Hospital) could do more to employ both socially excluded adults and more local residents. We learned from the Council's Human Resources department about the particular challenges around 'job carving' and identifying suitable roles for these individuals and then the necessity to provide adequate support for these clients when they are in post.
- 5.8.4 The Commission had recommended in its review on "Supporting Socially Excluded Adults" that the "Valuing People" project (to support those with learning disabilities into employment with the Council) be progressed as it had been stalled for a period. The Commission was pleased to learn that it was now going to be taken forward by the new Learning Disabilities Employment Partnership being led by the Corporate Director of Community Services. It was noted that Governance and Resources Scrutiny Commission had made a similar recommendation about this scheme as part of its scrutiny review on "Human Resources –focusing on recruitment and retention" which was published in March 2009.
- 5.8.5 During the Commission's visit to the CSP project at the Pembury Estate, members also learned from the agency Talent that the Council itself was not an employer on the CSP project. The Commission welcomes the fact that HR officers from the Council have now scheduled a meeting with Talent to progress this matter and would point out that it is anomalous that the Council itself is not an employer in this high profile programme, which the Council itself is leading on, to tackle worklessness in the borough.
- 5.8.6 The Commission received a briefing from the Human Resources department on "Recruitment and Local Residents". Members welcomed the launch of the Hackney Apprenticeship Programme which envisages the recruitment of 100 apprentices over the next three years with these ring-fenced for local residents. The Commission was also pleased to note that the Council hosted 143 work placements last year which provided up to 6 months work experience for individuals¹⁸. While the Commission welcomed both of these initiatives it would request the Chief Executive to ensure that these rates of apprenticeships or work placements are increased or at least maintained.
- 5.8.7 It became obvious to Members as it explored these issues that there was a need for the large public sector employers in the borough (who also happen to be, by far, the largest employers in the borough) to come together for joint

¹⁸ Briefing on 'Recruitment and local residents' to Commission meeting on 9 Feb 2009.

action on promoting local recruitment and in supporting the employment of socially excluded groups and in developing work placement and apprenticeship programmes. To this end the Commission welcomes the commitment in both the Sustainable Community Strategy and in the Regeneration Delivery Framework for this issue to be tackled by the creation of a proposed Public Sector Human Resources Action Group.

Recommendation Eight

The Commission has identified a general need for a more integrated approach to recruitment and apprenticeships by the public sector employers in the borough and the need to promote these as employers of local people. The Commission welcomed the undertaking in the Sustainable Community Strategy and the Regeneration Delivery Framework to explore the establishment of a Public Sector Human Resources Group.

Recommendation

*The Commission requests the Deputy Mayor and the Cabinet Member for Regeneration and the Olympic and Paralympic Games to establish a **Public Sector Human Resources Action Group** to bring together public sector employers in the borough to find joint solutions to vacancy issues, to develop joint local recruitment practices, to set targets for apprenticeship programmes, to promote recruitment of local residents and to support Job Centre Plus in the development of the Local Employment Partnerships (LEPs).*

5.9 Next steps – the Cross Cutting Review

- 5.9.1 When the refresh of Hackney’s Sustainable Community Strategy was agreed in November 2009 it was widely agreed that it should be kept live though continuing engagement about its key interventions and priority outcomes. It was agreed therefore that there would be 2 or 3 reviews per year on subjects that cut across the themes of the Strategy and that the first of these would be Worklessness.
- 5.9.2 This scrutiny review was purposefully aligned with the ‘Cross Cutting Review’ in that this Commission decided to focus on two key areas which require particular attention - the support to those in receipt of long term incapacity benefit and those in receipt of childcare support/benefits. The Cross Cutting Review, which will commence immediately after this one, will reflect on our findings but take a much broader look at the subject. It will also reflect on national developments such as the final report of the Houghton Review and the impact of the economic downturn. The Cross Cutting Review will be run by a Steering Group chaired by the Chief Executive and comprising the relevant Cabinet Member, a Member of Hackney Management Team, the Chair of this Commission, a Member of the Team Hackney Board, a member of a good practice local authority for this topic and external experts. The review will have a “green paper stage” which will scope its enquiry. The reporting will be in two stages with an interim report providing the key bodies with an indication of the next steps in the process and a final report with recommendations. These will go to Cabinet/HMT, Overview and Scrutiny Board and Team Hackney Partnership Board.

- 5.9.3 The Commission welcomes the fact that its work will be taken forward as part of a ‘bigger picture’ review on ‘Tackling Worklessness’. Our first recommendation is requesting that the Mayor and Cabinet ensure that Worklessness is a key element in the proposed 5 borough Multi Area Agreement. The Commission also makes a number of specific proposals for areas which it would like the Mayor to lobby central government as part of MAA negotiations. It became obvious to this Commission that tackling worklessness will require a regional and sub regional focus and that a number of the key barriers can only be addressed nationally by central government.
- 5.9.4 The findings of this review address all the key points raised in the Terms of Reference however one aspect proved particularly elusive and that was the issue of how individuals and businesses in the informal economy can be supported to move into the formal economy. Any analysis of the broad subject of worklessness in Hackney will need to address the prevalence of the informal economy and indeed the likelihood of its expansion during the economic downturn. Engaging with those in the informal economy is no mean feat and we would recommend that perhaps innovative approaches to evidence gathering might be employed. The Commission notes the findings of Lord Grabiner’s report¹⁹ on the Informal Economy in 2002 and the latest national research but it would certainly aid policy development if local data and research on the topic could be captured.

Recommendation Nine

*The Commission requests the Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games to ensure that the forthcoming “**Cross Cutting Review on Worklessness**” takes forward the Commissions’ recommendations and gives some consideration to issues such regional and sub regional lobbying via an MAA and the need to explore further the impact of the **informal economy** in the borough.*

¹⁹ *The Informal Economy*, Lord Grabiner QC for HM Treasury. March 2000. HM Treasury.

6 CONCLUSION

- 6.1 As we conclude this review the government has just published its review on “Tackling Worklessness”²⁰, chaired by Cllr Stephen Houghton, Leader of Barnsley Council. This review looked at how English local authorities and partners could do more to tackle worklessness. What we found in our local review echoes many of Cllr Houghton’s broader conclusions, namely that LSPs should ensure that their direct expenditure on support for workless people adds value to existing mainstream provision and that local government services and funded provision are properly integrated with mainstream employment and skills services.
- 6.2 Through a Multi Area Agreement (e.g. the proposed 5 borough MAA for East London) greater influence could be brought to bear on the need for the ‘Working Neighbourhoods Fund’ to move to a five year cycle to enable more long term planning. An MAA could also be used as a vehicle to have greater influence on the national ‘Worklessness Forum’ which Houghton proposes.
- 6.3 We also support the Houghton Review’s recommendations of the requirement for each Council to conduct ‘Worklessness Assessments’ as part of their economic assessment duty. Creating ‘Work and Skills Plans’ with better aligned budgets and co-commissioning of services under an LSP should also form part of how Team Hackney implements the findings of its “Skills for Employment Strategy”.
- 6.4 We also agree that local authorities and our local public sector partners can do more to expand employment, work experience, apprenticeships and training opportunities for long term benefit claimants in the borough. We also welcome the Department of Health’s announcement²¹ that an extra £13m has been allocated for therapy services in England to help identify those who might be suffering from depression due to the downturn.
- 6.5 The economic downturn will also have the effect of putting many high skilled and experienced people out of work and we would also ask whether Jobcentre Plus is geared up to deal with such clients. We would also urge Jobcentre Plus to maintain a focus on supporting the long term unemployed and those on health related benefits as there is a concern that JCP might cherry pick the recently unemployed, who are easier to place, to the detriment of supporting the long term workless.
- 6.6 We would also ask the Economic Development Partnership to think about the choice of sectoral interventions it makes in the light of the recession. Construction (particularly around London 2012) and the retail sectors have been the focus of interventions up to now and both are experiencing a severe downturn. Obviously the speed at which the recession has hit has alarmed everyone and going forward, there is a need for interventions to be revised in the light of the rapidly changing economic circumstances.

²⁰ *Tackling Worklessness Final Report*, March 2009, Dept of Communities and Local Government

²¹ DoH news release on 9 March 2009

- 6.7 One recommendation from Dame Carol Black's review²² on the health of Britain's working age population stood out for us, namely that:

"..GPs and other healthcare professionals should be supported to adapt the advice they provide, where appropriate [by] doing all they can to help people enter, stay in or return to work"

The shift in emphasis from a 'sick note' to a 'fit note' will be an important one and the medical profession will need to be supported by other public sector agencies to provide a more coherent and joined up support for those on incapacity benefit or ESA.

- 6.8 Unlike Health in Hackney Scrutiny Commission with its statutory health scrutiny powers, this Commission has, up until recently, had no specific powers to request partners to respond to its reports. Recent legislative changes however and the advent of the new Comprehensive Area Assessment (CAA) (which formally recognises scrutiny as part of the inspection system), means that we are now able to call to account any 'LAA partner' for their performance on jointly delivering on LAA targets. We have been heartened by the level of co-operation we received from Job Centre Plus and Work Directions and we hope that as active members of the Economic Development Partnership both Job Centre Plus and the LSC will have regard to our recommendations.

²² *Working for a healthier tomorrow*. Dame Carol Black's review on the health of Britain's working age population for DoH and DWP. 17 March 2008, p.17.

7 CONTRIBUTORS

7.1 The following people gave evidence at Commission meetings:

- 7 October 2008 **Derek Harvey** – External Relations Manager, Job Centre Plus – City and East London District
Cllr Guy Nicholson – Cabinet Member for Regeneration and the 2012 Olympic and Paralympic Games
Clive Tritton – Head of Partnership and Investment
Nadeem Malik – City Strategy Pathfinder Programme Manager
Zoe Collins – Economic Project Officer
Randal Smith – Head of Strategic Policy & Research
Lin Cotterrell – Strategic Policy and Research Officer
- 12 November 2008 **Steve Gilvin** – Director of Primary Care and Community Nursing, City and Hackney Teaching Primary Care Trust
Dr May Cahill, Hackney GP and Chair of the PCT's Commissioning Clinical Executive
Jane Woolley – Strategic Commissioning Manager, Team Hackney Support
Katie Williams – Social Inclusion Manager, East London NHS Foundation Trust
Laura Marmion – Vocational Occupational Therapist and Employment Project Lead, East London NHS Foundation Trust
- 3 December 2008 Site visit and meeting to CSP projects at Pembury Estate. Involved contributions from the following:
Nadeem Malik, CSP Programme Manager, LBH
Nuala Geary, Head of Employment & Training, Peabody Homes
Nigel Robinson, Centre Manager, Pembury NLC, Peabody Homes
Daley, Pembury NLC, Peabody Homes
Loretta Shaw, Pembury NLC, Peabody Homes
Cheryl Mannion, Pembury NLC, Peabody Homes
Sarah Corrigan, Regional Manager, Talent
Melanie Peake, Circle Homes
Paula Williams, Circle Homes resident and project worker
Amy Stoddard, Pinnacle Homes
Gheran Senghore, Pinnacle Homes resident and CSP outreach worker
Marcia Mullings, Hackney Homes resident and fulltime outreach worker for Talent based at Pembury NLC
- 13 January 2009 **Joanna Davies**, Head of Learning Disabilities Service

Simon Thorne, Development Manager, Learning Difficulties Team
Katherine Blackshaw, Development Manager, Learning Difficulties Team
Christian Mahoney, CRS Manager, Adult Community Services
Shivangi Medhi, Equality and Diversity Policy Officer
John Hall, Policy and Strategy Manager, Housing and Regulatory
Rachel Salmon, Policy and Strategy Officer

9 February 2009 **Ian Ashman**, Principal, Hackney Community College
Atiya Munir, Partnership Adviser, Team Hackney Support
Caroline Anderson, Assistant Director – Human Resources and Organisation Development
Jan Chappell, Sebright Children’s Centre, Extended Services Manager, The Learning Trust
Grace Graham, Community Development Worker, The Learning Trust
Jackie Hopfinger, Strategic Development Manager, Childcare and Play, The Learning Trust
Cllr Geoff Taylor – Chair of the Children and Young People Scrutiny Commission

2 March 2009 **Jenny Ross**, Manager, Ingeus Centre for Policy and Research
Marian Carson, Deputy Operations Manager, Work Directions
Louise Innes, Employment Project Manager, City and Hackney Mind

- 7.2 The Commission is also grateful for the advice and guidance received from: Yvonne Servante, (Deputy Director Learning & Standards (Secondary), The Learning Trust), Stephen John (Head of Assessment and Care Management), Trish Smith (Head of Adult Learning and Governor Services, The Learning Trust).
- 7.3 The Commission was invited by the Hackney Refugee Forum to its meeting on “ESOL and unemployment” on 16 January 2009 and is grateful to them and their Chair Ali Aksoy for their input.
- 7.4 The Commission is grateful to Peabody Homes for hosting the site visit, tour and meeting with residents at the Pembury Estate on 3 December 2008.
- 7.5 The Commission is particularly grateful for the contribution of Leo Archutowski and Rosemary Cowan of Continental Research and Lin Cotterrell (Policy and Research Officer, LBH) for their work in organising the focus groups with residents on incapacity benefit held on 24 February 2009. The Commission also acknowledges the assistance provided by the following to Continental in

planning the focus groups: Derek Harvey (Job Centre Plus, External Relations Manager – City and East London District), Vicky Addai-Diawuo (Business Support Manager, Revenues and Benefits Service), Naila Qureshi (Project Manager, Children’s Centres, The Learning Trust), Laura Marmion (East London Trust, Moving On Project), Marian Carson (Work Directions) and Marline James (Jobcentre Plus, Hoxton).

7.6 Last but not least the Commission is most grateful to the 16 Hackney residents who participated anonymously in the focus groups.

8 MEMBERS OF THE SCRUTINY COMMISSION

8.1 Members of the Scrutiny Commission

- Councillor Deniz Oguzkanli (Chair)
- Councillor Angus Mulready-Jones (Vice Chair)
- Councillor Afolasade Bright
- Councillor Michael Levy
- Councillor Jonathan McShane
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9. BACKGROUND PAPERS

9.1 The following documents have been relied upon in the preparation of this report or were presented to the Scrutiny Commission as part of the investigation.

- LB Hackney, Minutes of the meetings of the Community Safety and Social Inclusion Scrutiny Commission held on 7 October 2008, 12 November 2008, 13 January 2009 and 9 February 2009.
- LB Hackney, Note on informal meeting of the Community Safety and Social Inclusion Commssion on 2 March 2009
- LB Hackney, Note on the Site Visit and meeting at Pembury Estate on 3 December 2008

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GLOSSARY

CAF	Childcare Affordability Project (project funded by LDA and DCSF to assist parents with childcare costs during their transition off benefits and back to work)
CSP	City Strategy Pathfinder. DWP funded pilot projects to deliver locally based employment projects.
DWP	Department of Work and Pensions
DCLG	Department of Communities and Local Government
EDP	Economic Development Partnership, a sub partnership of Hackney's LSP - Team Hackney
ESA	Employment and Support Allowance. New health related benefit which replaced Incapacity Benefit on 27 October 2008.
ESOL	English for Speakers of Other Languages.
IB	Incapacity Benefit. A health related welfare benefit.
IS	Income Support. A welfare benefit for those on low income or who have not accrued enough national insurance contributions.
JCP	Job Centre Plus, an agency of the DWP.
LAA	Local Area Agreement. Agreement between central government and a local authority to deliver improvements in an area..
LDA	London Development Agency. An agency of the Mayor of London
MAA	Multi Area Agreement. An LAA agreed between a group of boroughs.
S106	Refers to agreements, usually between developers and a Council, under Section 106 of the Town and Country Planning Act 1991 to mitigate the effects of development on a site by making payments towards for example improving the public realm or the environment.
Team Hackney	Hackney's Local Strategic Partnership.



CSSI Scrutiny Review on Tackling "Worklessness"

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CSSI Scrutiny Review on Tackling “Worklessness”

Table of Contents

1.	Background.....	2
2.	Objectives	4
3.	Sample and Methodology	4
4.	Sample observations	6
5.	Experiences of the claiming process	6
5.1.	Impact of changes to the welfare system	6
5.2.	Reactions to ESA	7
6.	Triggers and barriers into work	8
6.1.	Triggers to work.....	8
6.2.	Barriers to work	10
6.3.	Fear of relapse / days when don't feel up to it.....	11
6.4.	Benefits trap	12
6.5.	Fear of not being able to get back onto benefits	12
6.6.	Working environment.....	13
6.7.	Skills issue/ readjusting	13
6.8.	Attitude of employers.....	14
7.	Medical process.....	15
7.1.	Comparing the ESA and IB medical process	15
7.2.	Relationship with GP and other medical professionals	16
8.	Referrals	18
9.	JCP.....	18
9.1.	Attitude of JCP advisers	19
9.2.	Lack of understanding and sensitivity to different conditions	20
9.3.	Ability to identify suitable work.....	21
10.	Work Directions	22
10.1.	Referrals to Work Directions.....	22
10.2.	Professional and positive advisors	22
10.3.	Good support services.....	23
10.4.	Inspiring and welcoming environment	24
10.5.	Mandatory attendance at Work Directions.....	24
11.	Lone parent issues.....	25
12.	Summary & recommendations.....	27

1. Background

This project forms part of London Borough of Hackney's Community Safety and Social Inclusion Scrutiny Commission's scrutiny review on "Tackling Worklessness".

The Terms of Reference for the review are:

- a) To allow Members to gain a broader understanding of the local and national issues that impact on the problem of 'worklessness' in Hackney, noting the relevant targets in the Local Area Agreement and the possible development of a Multi Area Agreement.
- b) To investigate how the Council and its partners are tackling the problem of worklessness in particular in areas where there is persistent employment disadvantage.
- c) To investigate how the Team Hackney partners work strategically to achieve the shared goal of supporting individuals to get off Incapacity Benefit and into training or employment.
- d) To explore the effectiveness of existing interventions to provide training and employment to those in receipt of child care support or benefits and to learn from national examples of good practice.
- e) To explore the implications for Hackney of the government's plans to reform the welfare system and in particular its plan to replace Incapacity Benefit with the Employment and Support Allowance.
- f) To examine the effectiveness of novel approaches such as the City Strategy Pathfinder project and to identify other examples of good practice nationally, regionally and locally.
- g) To examine how individuals and businesses in the informal economy can be supported to move into the formal economy.

h) To align the scrutiny review with the Council's broader 'Cross Cutting Review on Worklessness', noting that "worklessness" is a priority in the refreshed Sustainable Community Strategy, and to ensure that the emerging findings of that research are reflected in the scrutiny reviews own recommendations.

Further to (e) above, the Members wished to obtain a more in-depth understanding of the likely impact of recent welfare reforms on Hackney residents who are in receipt of Incapacity Benefit or the new Employment and Support Allowance, and the barriers they currently face to moving into employment. Members also wished to obtain the views of residents about the quantity, quality and effectiveness of the support available, and their experiences of both service providers and employers. Finally, Members wished to explore issues around the benefits trap and specific barriers to coming off benefits, as well as the role of the Council and its partners in helping residents to overcome these barriers.

Although evidence to scrutiny reviews is usually given at formal commission meetings, held in the Town Hall, or at more informal site visits, in this instance, where Members needed to obtain the views of residents on personal and often sensitive issues relating to their health and benefit status, it was decided that focus groups would allow Members to capture such views and information in an informed manner but also through the required supportive and non threatening environment. Moreover, since the presence of councillors or council officers could inhibit participants in what they might say focus groups held in private but where Members could observe but not participate in the discussion would be more appropriate.

2. Objectives

The overall research objective was to explore the implications for Hackney of the government's plans to reform the welfare system, in particular its plan to replace Incapacity Benefit (IB) with the Employment and Support Allowance (ESA).

Specific objectives were:

- To understand the experiences of those claiming Incapacity Benefit and/ or the ESA with a view to understanding how they have affected people in different ways.
- To assess the differences in claimants' experiences of undergoing the medical process
- To explore claimants' views about the quantity, quality and effectiveness of the support available, and their experiences of both service providers and employers.
- To explore issues around the benefits trap and specific barriers to coming off benefits, as well as the role of the Council and its partners in helping residents to overcome these barriers.

3. Sample and Methodology

Group discussions were selected as the methodology of choice as they are ideal for providing a discursive format for participants to express and share their views with one another. Conducting group discussions also fulfilled the requirement to hear from a very diverse group of respondents within a short timeframe. The groups were divided by participants' attitude/ stage of progression into work in order to make the groups as homogenous as possible and ensure a cohesive group dynamic. Thus group 1 comprised of those on health-related benefits who were not in work of any kind. Within this group we included a mixture of those that were both long and short terms claimants. Group 2 comprised of those on benefits who were being supported by Work Directions into pre-employment training, part time work or volunteering' and were either mandatory or voluntary clients. We also included some new ESA claimants. All respondents were Hackney residents and a mix of ages, ethnic backgrounds and

disabilities was included. Both groups also contained lone parents. A more detailed break down of the group composition is below:

Group composition

Group 1 – Not in Work	Group 2 – In Work
<p>Gender: 4 women and 4 men</p> <p>Ages ranged from 26-50</p> <p>Ethnicity included a mixture of white, Black African and Black Caribbean</p> <p>Housing status: 5 respondents with The Housing Association, 2 respondents renting privately and 1 renting via the Council</p> <p>Benefit: 4 respondents on Income Support (1 on DLA), 3 respondents on Income Support and Incapacity Benefit</p> <p>Health condition: 4 suffering from mental ill-health, 3 suffering from physical disabilities, 1 not suffering from a health condition (lone parent)</p> <p>Parental situation: 2 lone parents</p>	<p>Gender: 3 women and 4 men</p> <p>Ages ranged from 31-54</p> <p>Ethnicity included a mixture of White, Asian, Black Caribbean and Mixed Race</p> <p>Benefit: 2 respondents on ESA, 5 respondents on Income Support (3 mandatory and 2 voluntary Work Direction clients)</p> <p>Health condition: 4 suffering from mental ill-health, 3 suffering from physical disabilities</p> <p>Parental situation: 1 lone parent</p>

The groups were facilitated by Leo Archutowski and Rosemary Cowan of Continental Research. N.B Findings from this research are taken from a small sample and therefore cannot be viewed as representative.

Participants were specifically recruited to have a range of different criteria such as different medical conditions for example. We therefore asked participants to complete a short pre-task exercise in advance of the group discussions in order to capture participants' individual responses that might otherwise have been lost on the groups. These for example asked questions about participants' awareness of changes in the welfare system which allowed us to understand how widely the new system was understood without others prompting them as would be the case in a group discussion.

The pre-task also focussed on individuals experiences with the medical assessment which were likely to vary markedly depending on whether the individual had mental or physical disabilities. These were then analysed alongside the main findings from the group discussions.

We conducted both group discussions, each two hours in length, on the evening of Tuesday 25th February 2009 at All Global Viewing Studio in Old Street. We recruited 8 participants for each group but there were only 7 participants in the second group.

4. Sample observations

Respondents' appetite to get into work was largely driven by the extent of their mental or physical disability. On balance, those who suffered from long term mental ill-health felt they had extra barriers to overcome in order to move into work again, while those with short term conditions felt they had fewer barriers to overcome. This was also apparent for those who had been on benefits for an extended period of time who also felt they had extra barriers to overcome in order to move into work again.

5. Experiences of the claiming process

5.1. Impact of changes to the welfare system

Although there was some awareness of the term 'ESA' and what it stands for, only one or two were able to cite any further details about it, knowing, for instance that it had started at the end of October. Even the ESA claimants said they were confused by the new process claiming they had received conflicting information. Some of this confusion appeared to stem from the application process and, for example, how tax credits relate to a claim for ESA. Most of the confusion, however, resulted from the fact that both the ESA claimants received the same amount as when they were on JSA; they therefore had no reason to question or engage with the new system. Furthermore, ESA claimants said they had not received clear communication from JCP advisors on what exactly ESA was about and how it would impact them in the future:

'I don't even know what it is. When I went to sign on I was on JSA. I said to the advisor at JCP that I couldn't come in because I was on crutches and he put me on ESA. You stay at home and they give you the money. Nothing had changed though, I still get the same amount of money... They back dated the claim to the date I had my operation which was 15th October.'

'ESA is a new thing they just started it on the 28th of October. When I rang them I said I need to claim for ESA from the 15th of October but they said I couldn't claim for it till the 28th.'

'I rang them [JCP] to find out what was going on with my benefits and they weren't very helpful. I asked if I could speak to someone else because I couldn't do this [the application] and I couldn't call them every time I have a question and she just hung up the phone.'

'All I know is that my GP said I should claim ESA.'

'The guy at the JCP said I had to back date to go onto Incapacity Benefit so there was all this confusion over the phone when my application was going through. They kept asking why I had to go onto Incapacity Benefit and I had to explain it. I think they need to be clear about what this is and what it means for people because it wasn't clear to me.'

5.2. Reactions to ESA

Generally, a broad definition of ESA was received with a mixture of curiosity, concern and cynicism. Many had further questions such as whether the changes would make it easier or harder to find a pathway into work, while much of the concern and cynicism came from respondents with conditions that prevented them from working altogether and who felt a new scheme would be designed to force them into work. Although almost all had little understanding of

the details of the new scheme, the typical response was one of anger and frustration and there was an assumption that the new scheme would not take into account the difficulties and challenges facing those with severe disabilities.

'It scares me because it's too simplistic. I'd like to work but it doesn't work like that. Something bad can happen and I can go down like that and then I'd lose my job or I'd walk out. They're not thinking it through. What I see is them trying to save money. They want to get a load of people who have been on benefits and shift them either onto another benefit, or into work or to cut their benefit to save money. That's the way I see it. They don't give a damn about us.'

'I think the government wants to get people off benefits, which is fine, but the process or the way they are trying to get people off benefit, that's where the whole problem is. There is this fear I have of coming off benefits and not getting them back and wondering how I'm going to cope. It's not a question of whether I CAN work.'

'The new medical assessment says it will focus on what you can do. It sounds like it's a case of, 'Come on, you can work. Get off benefits!'

6. Triggers and barriers into work

Although focus group participants were able to generate a long list of positive reasons why working is beneficial, the general tendency was to focus on the 'benefits trap' and the barriers preventing them from getting into work.

6.1. Triggers to work

The following were identified as the benefits of working:

- Self esteem / self worth / self respect / confidence

- Independence
- Positive feel-good factor / something to look forward to
- Getting into a routine / providing structure
- Interacting with other people
- Acknowledgement from others / fitting in with society / not being classed as a scrounger / freeloader / fraudster
- Better money

Many perceived and /or had experienced a clear connection between working life and feeling more confident in themselves.

'It will give you confidence and self esteem. When I was working in 1999, before my relapse, it felt good but then this thing happened to me and I lost my job and I felt I lost my whole self, my whole being . Since that day I've struggled to get into the real world.'

'Sometimes without a job you feel you have let yourself down.'

It was also apparent that not being in work led to a feeling that they were not respected by society as a whole and some felt segregated/ alienated from everyone else as a result. This led to a feeling that others may see them as 'freeloaders' who were not contributing to society.

'Work is about getting self respect. I'm an ex-soldier, ex-mini cab driver, ex-accountant, ex-book maker but I'm unemployed now.'

'Getting a job is about more freedom. People respect you; it's not just about getting a job. I would love to get a job where there is less money but more respect.'

'I feel I'm persecuted by the public.'

While some focused on the more emotive aspects of work life, others focused on the practical benefits of having more money and the perceived impact that would have on their quality of life.

'There's a freedom in earning.'

'I got the job....covering for Christmas. I got £750 for Christmas; I was happy as Larry the Lamb.'

'I don't want to be tied, dragged down on that benefit...you know how nice I feel putting a cash-point card in and drawing my wages out...Oh man! Waiting for the Giro is not good and if it don't come you're phoning them up and they can't do nothing.'

Another emerging theme was that 'worklessness' led to a sense that people were drifting in their life, which exacerbated feelings of isolation and in some cases led to depression. Work life was widely acknowledged as providing structure and routine which prevented the onset of this drifting mindset.

'I don't think things will ever change for me.'

Work life was also seen as an environment where people could benefit from meeting and interacting with other people. Again, this appeared to have the effect of making people feel more positive about themselves and in some cases 'normalised' their condition, preventing feelings of isolation from escalating.

6.2. Barriers to work

The following were identified as reasons for claimants not to go into work:

- Fear of relapse; could be exacerbated by stress of new/working environment

- The 'Benefits Trap'
- Limitations in what one can do / physically / mentally unable to do all jobs
- Days when don't feel up to it
- Out of practice / skills out of date
- Attitude of employers (discrimination e.g. age and condition, lack of flexibility with work hours)
- No support into work e.g. no extra money for necessary clothes / travel etc
- Fear of not being able to get back onto benefits / extended delay in getting back onto benefits if the job does not work out or if their health relapses

6.3. Fear of relapse / days when don't feel up to it

A pervading issue for those who felt they were unable to work due to their medical condition, was their fear of relapse. This was especially, although not always, the case for those suffering from mental-ill health leading to uncertainty and reduced levels of confidence in terms of being able to perform to the required level and fulfil job expectations.

There were also examples of those with both mental and physical disabilities who, because of their condition, had days when they were simply not mentally or physically fit enough to go to work. Some of the conditions affecting respondents could suddenly and spontaneously worsen, which could lead to them missing work, a medical assessment or an interview with JCP/ Work Directions.

'There are times when I get depressed and I just can't face it. Last week I was in a deep depression for 3 days and it was terrible. I literally didn't

know what to do with myself. So can you imagine getting up and you're in pain, crying. It's awful.'

6.4. Benefits trap

The so-called 'benefits trap' was perceived to act as a disincentive to working because being on benefits meant that claimants' Council Tax, rent, prescriptions for medicines, dentists and access to other amenities were all covered, whereas once they were working they would have to find the funds for these expenses, which for low-earners might effectively mean it was not worth working.

'The other side of it is, you know that money's there every week...I'm scared; I'm petrified. I've been on benefits 20 years. I've got to find my rent, my Poll Tax, plus all my bills!'

'I would be for the idea as long as they will help me back to work, but if it's something that's going to leave you with no money then how do you cope?'

6.5. Fear of not being able to get back onto benefits

Respondents often expressed the fear that if things went wrong, such as the job not working out successfully for them or their employers, or if they had a health relapse, then they might be left without means of support for months as their benefits might have been permanently removed or because it could take a long time to get back onto benefits. It was thought that Housing Benefit would not be paid for six months, leading to fears of homelessness.

'The whole system is changing. If you get into work and you have another relapse what happens then? You won't get it [benefits] back again so then what will you do. You won't be able to pay the bills, food, and electricity.'

'I've heard that they will keep your benefits running for 2 years if you have a relapse but I don't believe they will do that.'

'I think the government wants to get people off benefits which is fine but the process or the way they are trying to get people off benefit, that's where the whole problem is. There is this fear I have of coming off benefits and not getting them back and wondering how I'm going to cope.'

6.6. Working environment

For those with mental health problems, their condition could even be exacerbated by the working environment itself. Corporate working environments were particularly associated with stress, as was any new work situation. One of the respondents, suffering from anxiety and depression, explained that her condition led not only to a fear of working with people but also of working in isolation so that she was resistant to work situations over which she had no control. There is evidence to suggest that individuals not suffering from severe mental health conditions could be encouraged into a more positive mindset as those who visited Work Directions for support into work reported.

6.7. Skills issue/ readjusting

It was clear respondents' individual conditions imposed restrictions on what type of work they were able to do. In some cases this led to a sense of disillusionment with work generally and left them in a state of hopelessness. Others, who were more positive to the idea of getting into work, were left with the issue of adjusting their expectations to the type of work that would now be suitable for them. They perceived this to be sad as this was not the usual type of work they had either developed a skill set for or were inspired to work in. There was a visible drop in mood for those who felt they had to consider jobs of perceived lower worth/status.

'In the eighties I ran a pub but I couldn't do it now. My skills are out of date, the tills are all different. I wouldn't know what I was doing. The guys at JCP said why don't I be a barmaid but I said I don't want that. I have arthritis and can't stand properly, especially not for long hours and the money is disgusting.'

'It's very stressful and frustrating. I have been working with a mentor from RNIB and in a way we have degraded my CV so it looks very simple so I'm not aiming for higher jobs anymore. I'm looking at things that pay less. If the other jobs were more flexible, for example, allowing me to job-share with someone that would be the solution.'

'My CV has been built up with all this corporate background, like investment banks and now I have to look at schools and things like that.'

6.8. Attitude of employers

Another key barrier preventing those who had genuine interests in finding work, was the perceived attitude of employers. There was a sense that employers discriminated either in terms of age or disability and rarely catered for conditions by offering flexible working hours.

'The problem I have with getting back to work is with employers. I have been going to interviews since September and I think it's got to the point where I think they say the reason they won't give you the job is because the disability gets worse. I was in full time work but my condition affected my eyes and I lost sight and I had to reduce the hours. The doctor said, 'I think you need to have a less stressful environment or make adjustments in how much you are working there,' but my employer expected me to work full time so I had to resign and look for something part-time.'

'It's difficult going to interview because obviously you can't lie. You have to tell them why you can't work full time and you can see it in their body language. They just change. It's like, 'OK; we'll get back to you,' and you just keep going for interviews and it's really tiring to keep proving to them that you can do the job but that you can only do it 2 days a week. I reckon I have had about 10 interviews.'

'I know women of my age that cannot work because at the interview they are told they want someone younger. Age does count against you.'

'I'm willing to go back to work to keep busy but the corporate environment isn't very friendly to my condition. I'm now thinking maybe I should go into charity work. Maybe [I should consider] something in Council or government. They are more susceptible to you; they are more willing to make adjustments around your needs. The corporate world is not ready for disabled people.'

7. Medical process

Participants in the focus groups were mostly reporting on the previous medical process; only one had experienced the new ESA medical.

7.1. Comparing the ESA and IB medical process

There were some indications that the Incapacity Benefit medical assessment (PCA) was quick and may not be thorough enough.

'The last one I went to was pretty quick. They didn't ask me to do much. It was vague. I was quite surprised how weak it was.'

It appeared that those with temporary/ less severe/ not stigmatised conditions were not likely to be negatively impacted by the new ESA medical assessment.

'I had my medical in Highgate yesterday and I was questioned for two and a half hours. It's in two parts. The first part lasted about an hour and was the medical part asking questions about your illness... The second part was focusing on what you can do and what your aims are work-wise. She was nice lady. She listened to everything I told her. I felt OK about it.'

It was unclear how the new ESA process would affect those with more extreme/ severe/stigmatised conditions. However, there were indications that a longer medical

process with a stranger may cause anxiety, stress and this could potentially lead to failing to attend the medical itself.

7.2. Relationship with GP and other medical professionals

The majority felt their own GP was better placed to assess their health as he/she knew them and had a pre existing knowledge of their condition. This was even more important where the condition was embarrassing or stigmatised, especially for those suffering from mental health problems. A relationship of trust helped alleviate these concerns and claimants felt they were being treated more fairly.

'I have a good relationship with my GP and can say, 'this isn't working' or, 'I don't particularly like this person' and she will refer me on. I'm never ever going to get that with somebody the DSS put me onto...I'm never going to build up that kind of relationship with them.'

'I believe the GP has more rights to decide over our health. He is the one that knows us and our history so he has the most knowledge and insight into our health issue.'

Conversely, it was felt a medical professional with no prior knowledge could assess the claimant 'on a good day' and this would not reflect the true nature of their incapacity. For most it also felt uncomfortable talking about their medical condition to a stranger.

'What happens if you have a medical on a good day? There are good days when there is no pain so what do you do? I have had a condition since birth and when it's bad I can spend three weeks in hospital but to have a so-called doctor making a decision on this given day... For example I'm fine today but all of a sudden I may have to leave because of the pain. It's just one of those things that comes up without warning.'

'It is difficult being with myself let alone a stranger.'

ESA's mandatory requirement to attend sessions with doctors/psychiatrists appeared to be less appropriate for those with mental health problems, such as depression or anxiety, for example, as it was felt the requirement for repeated visits to the GP put a strain on the relationship with their GP/medical professional. Furthermore, it was felt that rearranging sessions with GPs/ psychiatrists could put added strain on the claimant leading to them missing the session altogether.

'I have known my GP for 14 years. She knows my history and she knows I like to work. She knows I'm not messing her about but it made me feel guilty because I had to keep going to see her every week and say, 'I feel like this, that and the other'. It puts a strain on your relationship and also puts a strain with my psychiatrist because I was so distressed we couldn't have our appointments and it had to be put back until I had calmed down and could talk about it.'

We surmise that those with extreme mental health problems such as those suffering from psychosis could well be too removed from reality to fulfil these requirements.

Occasionally, due to administrative errors, the stress was increased.

'They said I had to actually write '6 months' on the form, even though it said 'from September to February' on the form my GP provided. So I had to go back to my GP and it was a bit embarrassing but I had to say, 'Can you actually write '6 months' on here?' So they had to write another certificate and I actually have another letter saying that certificate has expired because it was written in the last 14 days and I need to get another one...It's crazy! You feel like they are mucking you about.'

'With the incapacity work questionnaire, it was asking me all these questions but I had already gone through the process and was getting Incapacity Benefit, so why are you asking me about whether I was in hospital or can I walk from here to there? So I was like, 'Why I'm I going through this again and why do I have to go to doctor's and get another report?'

Some perceived the use of an external medical professional demonstrated that the system lacked confidence and trust in their own GP.

"If your doctor's giving you medical certificates...and these people say, 'Right, we are going to get our own independent doctors in to see what you're like,' they are making their remarks on your doctor.... They're saying, 'We don't believe your GP!'"

8. Referrals

There was some frustration that there was no follow on from the medical leaving some in limbo.

'The problem I had with the medical was there was no link to your next steps. I would have also liked a bit more input from my GP and my key worker. They need something new to make it work and for you to continue to progress.'

Overall, there was little evidence of effective referrals either at the advisor stage or the medical stage, although there were one or two examples, such as an ex offender who was referred to Working Links by JCP; those who were referred to Work Directions by JCP; one participant who was referred by his GP to a group for depression; another was referred to psychiatrists and other "head doctors" by her GP.

9. JCP

JCP was frequently criticised and there are indications that it may, to an extent, be suffering from perceptions carried over from the past: a negative heritage associated with 'the dole', DSS etc. that various re-brandings have failed to overcome. The environment at JCP was perceived to be unwelcoming and uncomfortable, with security guards checking up on claimants, asking them what they were doing there.

The surroundings were thought to be depressing and did not sufficiently inspire or encourage them.

'There's a certain feeling when you walk into a JCP. It's not a place you feel confident about getting help. It just feels like it's going to get worse and worse.'

'[The computers] always seem to break down and they can't seem to find the form and they ask you whether you have the receipt.'

Some cited the lack of privacy as a reason for feeling humiliated and this perpetuated their negativity.

'I'd like them to have an area where they have newspapers, proper job newspapers and proper people to talk to about getting into work.'

9.1. Attitude of JCP advisers

Many reported negative experiences with JCP advisers and one of the main issues was the way the process was handled with several examples of JCP advisers interacting without much empathy and not showing enough respect to claimants. One reported that he had missed a signing-on day because his mother died; when he explained, he was asked if it would happen again, which felt hurtful and insulting.

Many claimed conversations were driven by an underlying 'us and them' attitude which aggravated and de-motivated respondents. Furthermore, it undermined the build up of trust and collaboration between advisor and claimant.

'My experience at the Job Centre is not good. I haven't had much contact with them but from the time we have spoken I would say it was awkward. I don't really feel they are there for me. Although they do offer jobs and employment, the way that it is set up it's not something that works.'

'Sometimes I feel they come across like they have a job and you don't. It's like they're looking down on you. It's like they think, 'Why don't you just get a job?'

One JCP member of staff was, however, singled out for praise.

'There is one woman at JCP who is excellent. If you are polite to her and show a little bit of respect she stays with your case until you get sorted. I had to go back for 2 or 3 days, but every time I saw this same woman and she just knows her stuff. She is absolutely fantastic...She listened to me; she rang different departments – you're not allowed to now, but this was a year ago...when they could. She's only on Reception. She personally took all my documents and faxed it over and photocopied it. She then passed me on to another member of the team, who I was supposed to be seeing and made sure that was the right person. Nobody in the Job Centre takes time out for anybody, but this woman is absolutely fantastic....When my kids go there I always tell them to ask for that same person because she deals with each case properly.'

Via feedback from those who had had positive experiences with Work Direction advisors, it was clear that feeling they are being genuinely supported helped job seekers to feel more positive about their prospects of getting into work.

9.2. Lack of understanding and sensitivity to different conditions

The perceived negative attitude exhibited by JCP advisors was often attributed to a lack of understanding of the nature of some claimants' illnesses, particularly mental ill-health or for conditions which spontaneously worsened. Health issues were very sensitive and private for claimants and there was a strong sense that advisors attempting to facilitate them into work were obligated to have an understanding of the kinds of issues facing claimants. Lack of empathy particularly created friction, forming a barrier to the relationship between advisor and claimant.

'It's really important that the people that represent the Job Centre also represent the people in the community and have good people skills and also to understand what it's like to have a difficulty getting into work.'

JCP advisers are evidently restricted by rules, codes of conduct, bureaucracy and issues of security and are overwhelmed by numbers, making it difficult to offer the emotional support for which the Work Directions advisors were so highly praised.

9.3. Ability to identify suitable work

As mentioned in Section 5.7, one of the barriers for claimants seeking work was having to adjust their expectations in terms of the type of work they could now feasibly undertake. It was felt that JCP advisers were not genuinely interested in finding a job that suited the individual in question, particularly jobs within a reasonable travelling distance.

'A lot of jobs they offer aren't even in London.'

'It should be a smooth transition into work, not a rough bumpy ride of, 'Just take this job!' They don't consider whether the job is suitable for you. They don't really care. They don't consider how you are mentally or physically.'

By contrast, it appeared that advisors at Work Directions were able to frame jobs in a more positive way.

'I was anxious at first about finding the place, but now I enjoy going. My [WD] work advisor is lovely...she's always trying to find me jobs and encouraging me. She says if I don't like it I don't have to go. That really helps me a lot.'

10. Work Directions

Overall, experiences at Work Directions were received very positively, which contrasted markedly with experiences at JCP.

'If you go to Job Centre you feel like the rain's pouring down – a black cloud over you; you go to Work Directions and you've got a clear day, even if it's raining.'

There was approval for the range of facilities and services on offer such as help with CVs; developing IT skills; mock interviews; coaching and helpful feedback; being given a list of jobs and advice regarding cold-calling – particularly not to take rejection personally, which was helpful in preventing dejected feelings. In addition, help with basic skills such as reading, writing and maths; doing homework to stimulate the mind or practising greeting people and shaking hands, were well-received as participants could see how these could improve their chances of employment.

'JCP information is inaccurate – e-mail addresses and phone numbers. Work Directions offers alternatives and new ideas.'

10.1. Referrals to Work Directions

Six in our sample had been referred to Work Directions by JCP. For the majority this was a very positive experience. One, with long-standing mental health problems felt negative about the referral and felt that she was not handled sensitively. There were indications that she felt her wishes, which were to work in the voluntary sector, were being over-ridden. This aspect is covered in more detail at 9.5.

10.2. Professional and positive advisors

Work Directions advisors were praised for the professional and sensitive way in which they dealt with claimants. The majority of those attending interviews at Work Directions felt the advisors spoke to them as equals and this adult to adult approach appeared not only to have led to constructive relationships with their advisors but also to have had a positive impact on their motivation to seek work. There were several examples where advisors were praised for introducing jobs in a positive way.

'At Work Directions they treat you like a human being, not cattle.'

'[My work advisor] was encouraging, she went through my skills etc. and said, 'No problem. You will get a job.'

'When I told her I got the job, she sounded more happy than what I was!'

The positive relationship is supported further by a sense that advisors at Work Directions genuinely care about those seeking work and this created the feeling that people were not alone in their pursuit of employment.

'When I go for job interviews [WD] even phone me up to find out how I done. Come on man, who does that?!'

10.3. Good support services

There were indications that Work Directions staff not only supported people during the work seeking process but also informed claimants how to access further support to motivate, encourage and ensure success, such as funds to buy a suit to go to an interview or benefits they could claim to tide them over any short-term financial difficulties. These extra incentives could evidently help to ensure a smooth transition into work.

'They gave me £140 to go and buy a suit...I was dapper; I looked good!...And I got the job...working at TM Lewin...because that's my field.'

'You get £40 a week and Working Tax Credits as well now.'

'My rent is £195 a week... and [my Work Directions advisor] she said that by coming off [benefits] I would pay £60 towards my rent and that is brilliant compared to the money I would take home a month.'

10.4. Inspiring and welcoming environment

As mentioned in Section 8 above, it was clear that the environment in which respondents were engaging with the job seeking process was key in terms of keeping them motivated.

'The atmosphere is welcoming. You haven't got security guards asking what you are doing and you get free hot drinks all day.'

'You've got friendly faces; you're meeting people and you're going on the computer, looking at your e-mails; you've got a phone to use. You spend all day and you come out with results....It's a positive place to go... Work Directions help people.'

'It opened a lot of doors for me...When you wake up in the morning you've got a direction.'

10.5. Mandatory attendance at Work Directions

Although the feedback was broadly very positive towards Work Directions and the way in which they facilitate claimants into work, there was one example where a claimant objected to the requirement for mandatory attendance. There were criticisms of the way the interviews were conducted: in an open plan office, by someone who showed little understanding of her mental health condition. Much of the negativity, however, appeared to relate to the mandatory requirement to attend and threat of benefit cut or sanction.

'I felt threatened by this process with benefit cuts / sanctions if I did not attend. I felt humiliated, undermined, tricked and abused by the interviewer, who seemed to have no training in mental health / ignored her training. I had to sit in open-plan office and talk about mental health problems. I felt angry, very anxious, distressed, ignored, and not listened to.'

(Extract from pre-task written exercise)

11. Lone parent issues

Lone parents perceived that their issues were not the same as those facing people with disabilities and felt that it would be helpful if advisers specialised in different areas of the benefits system. A minority expressed the view that family values were at odds with women working.

Some were aware that there were plans to reduce benefits for those with children over 15, while others thought 12 was the threshold; this was likely to be lowered again in the future to seven.

'Apparently the Income Support is changing as well for lone parents, which I was shocked about. I got told that if your child is 12 this year you should be out to work and then, next year, apparently it's going down to the age of 7. I was shocked at that. I've got a five year old, so in two years I should be out to work - she's still in primary school!'

The expectation that it would be possible for lone parents to work once their children were in school presented problems with childcare in after-school hours, school holidays, school closures or days when the child was off school unwell.

Childcare was the main priority and parents felt that it needed to be addressed in two ways: by the employer and by the benefits system. Hence, in an ideal world, there would be crèches at work for young children and employers would be flexible if a child was ill or had an accident – perhaps offering Family Leave, which would be specifically for such emergencies and not part of sick leave or holiday. Employers could also be flexible with working hours or with offering part-time jobs. Financial help with childminding would also make work a possibility for lone parents, especially if they worked in low-paid employment roles.

'They do say if you get into work they will pay for a child minder for the first month but what if it's a low paid job and you can't afford the child minder?'

A major problem, particularly for lone parents, was trusting others to mind one's children. Currently the rules do not allow for a family member to receive payment for caring for a child. Even if only the immediate family qualified, this would be the ideal as it would address both the parent's trust issues and problems with the child refusing to accept a stranger.

Other requests from lone mothers were for ways of boosting their confidence prior to returning to work, such as classes and/or somewhere to talk about worries and to network with others.

12. Summary & recommendations

1. Benefits claimants in our survey reported frustration with the complexities of bureaucracy and misinformation. There was also a perception that there was often an unnecessary requirement to repeat the same information in numerous forms. This was exacerbated in situations when claimants were severely physically and / or mentally incapacitated. Hence, a smooth and simplified process for claimants would be beneficial.
2. The medical interviews (pre ESA) were fairly brief and evidently had not always adequately determined how a client could be properly supported. Except where it is for a temporary physical condition, the proposed ESA medical review process appeared to generate high levels of anxiety and stress and a prolonged process could be detrimental to clients' (mental) health.
3. Furthermore, claimants often felt that their own GP was better placed to evaluate their condition since he/she not only knew them personally but had knowledge of their condition over time. They felt that it was difficult to develop a trusting relationship with a stranger with no prior knowledge of them, who might also meet them 'on a good day'.
4. Some felt that using an external medical professional implied distrust of their own GP and undermined his/her authority.
5. There are indications that claimants would benefit from more overt communications about what ESA is and what it means for them. This would help overcome anxiety and confusion.
6. People made comparisons between JCP and Work Directions, with many feeling that their experiences at Work Direction helped move them into work.
7. Work Directions personalised service and tailored support combined with the supportive atmosphere in their office evidently had a hugely positive effect on

morale. This was clearly lacking at JCP, which suffers from negative past associations - as well as less resources, a higher volume of clients and the need to comply with processes and systems.

8. In particular, the majority experienced Work Directions advisors as caring and respectful, which contrasted with their perceptions of the way JCP officers treated them.
9. There was a perception that JCP officers needed better training not only in terms of their general communication skills but also with regard to clients' different medical conditions.

Referral mechanisms for IB and IS clients were often poor. Although, JCP was singled out for criticism in this respect it appeared to be a general failing within the wider support services. In the isolated incidences where referrals had occurred claimants reported a more positive mindset. This could help them into work.

Claimants were often unaware of what incentives there were available. The financial incentives to get off benefits were generally perceived to be insufficient. More information and flexibility with in-work support and / or benefits would buffer those in the transition phase into work and would motivate and reassure them, particularly those lacking the confidence or the finances to cope during this period.

Flexible working hours and conditions would benefit not only lone parents but also those whose physical strength fluctuates. In addition, parents would be encouraged and helped into work if employers offered crèches; school friendly hours and family leave which they could take in the event of an emergency or a child's illness.

Other factors that would help parents would be after school care and the ability to pay close family members for childcare.

ENDS