

# Royal College of Psychiatrists Consultation Response

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**DATE: 22nd October 2008**

**RESPONSE OF: THE ROYAL COLLEGE OF PSYCHIATRISTS**

**RESPONSE TO: No one written off: reforming welfare to reward responsibility**

The Royal College of Psychiatrists is the leading medical authority on mental health in the United Kingdom and is the professional and educational organisation for doctors specialising in psychiatry.

We are pleased to respond to this consultation. This consultation was prepared by Claire Churchill in the Royal College of Psychiatrists' Policy Unit.

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## ***No one Written Off: reforming welfare to reward responsibility***

### **Response to the consultation from the Royal College of Psychiatrists October 2008.**

The Royal College of Psychiatrists welcomes the opportunity to comment on the latest consultation document on welfare reform. The Royal College of Psychiatrists is the leading medical authority on mental health in the United Kingdom and the Republic of Ireland and is the professional and educational organisation for doctors specialising in psychiatry.

#### **General Comments**

The Royal College of Psychiatrists supports attempts to assist in the employment and skills support for those people who are most disadvantaged in the labour market. It is well known that people with mental health problems are one of the most excluded and discriminated against groups in society and that there are high rates of worklessness among some groups of people with mental health problems. Provision of a job can be an effective route out of poverty. We also acknowledge the physical and mental health and well-being benefits of being in appropriate employment or work (Waddell and Burton, 2006).

We welcome the government's attempts to reform incapacity benefits and to develop a new approach to assess claimants that may create a fairer system for people with mental health problems. The new system of ESA, and its associated system to get people back to work, are to be cautiously welcomed along with the creation of a support group which may give protection to vulnerable disabled people who may find work a difficult target to achieve.

Our main concerns with the proposals outlined in the Green Paper are:

- The lack of evidence for the proposed schemes for getting people with mental health problems into work and the inequity of outcome that this will produce for people with mental health problems relative to those with physical problems.
- The possible unintended consequences of some of the measures proposed in the Green Paper, particularly those relating to sanctions and conditionality, and those relating to the contracting out of the return to work schemes.

#### **Specific comments**

1. *Evidence for the effectiveness of the proposed schemes to get people with mental health problems back to work.*

The Pathways to Work Pilots have not provided convincing evidence that they are an effective means of getting people with mental health problems into work. Early results from the Pathways to Work pilot projects were promising, showing an increase in people coming off incapacity benefit in the pilot areas (Blyth, 2006). However, whilst further results showed an increased likelihood of being employed for people with physical health problems, but this did not apply to those with mental health problems (Adam et al 2006; Bewley et al, 2007). A recent report (Dorsett,

2008) gave further indication of the difficulty experienced by people with mental health problems:

*'Customers with mental health problems seemed particularly hard to help and some advisers mentioned feeling out of their depth when dealing with such individuals. Perhaps reflecting this, the impact analysis does not find any evidence of a Pathways effect for those with mental health problems. Given the prevalence of mental illness among the Pathways population, identifying ways of better supporting those with such a health condition would seem an important priority'. (page 18).*

This means that to be effective the schemes for people with mental health problems require revision, possibly by offering greater support into work for this group, in a similar way as is done in the Individual Placement and Support (IPS) schemes (Sainsbury Centre for Mental Health, 2007a; 2007b). These IPS schemes use an approach that is known as 'place and train', which provides direct job placement and offers support to the client and employer. Results from several randomised controlled trials and two meta-analyses (e.g. Crowther et al, 2001; Twarnley et al, 2003; Burns et al, 2007) have shown the effectiveness of IPS programmes in several parts of the world, including North America and six European countries, and the intervention is now recommended evidence based practice (Bond, 2004). The results have shown that rates for competitive employment on the open job market for people using IPS were more than doubled and a large scale implementation trial in eight sites with locally-determined supported employment found similar rates of effectiveness (Cook et al, 2005). The schemes are also cost-effective (Lelliott et al, 2008). These studies from Europe and North America have been carried out in different cultural, health, welfare and labour market contexts, but have consistently shown the value of supported employment schemes to assist people with severe mental illness to achieve open employment. This approach has also been recommended in a DWP commissioned report (Rangarajan et al, 2008).

There is much to learn from these approaches to supported employment. We believe that it is important that the government review the evidence base for their proposals to get people with mental health problems back to work as failure to use methods that are not supported by firm evidence will discriminate against people with mental health problems.

Participation in meaningful activity and engagement in the local community are important for all and are not necessarily dependent on being in open employment. There is a danger that those people with long term and severe mental health problems that are placed in the support group will get no further help to engage in open employment when they are able, or to engage in any meaningful activity such as rehabilitation schemes or voluntary work. It should be made clear to this group that they can be given access to pathways into open employment when they are ready to do so and that there will be rehabilitation schemes or access to voluntary work available as an alternative.

We would like to see:

- That the methods used to get people with mental health problems back to work are based on the best available evidence.

- That the principles of the IPS schemes are adopted for people with mental health problems in the approach and roll out of the back to work schemes that are proposed.
- That further research and evaluation is carried out on schemes to get back into work those people who have been claiming incapacity benefits for long periods, as the people taking part in the pathways pilots had only recently been put on benefits and the effects of interventions are not known for the longer term claimants.
- Clear guidance given to those people with long term and severe mental health problems who are in the support group as how they may access schemes to open employment when they are ready to and that there are alternative schemes made available to allow them to engage in other forms of meaningful activity that do not necessitate employment in the open market.

## 2. *Guarding against the continuing exclusion of those who are hardest to place in work.*

The DWP's commissioned report (Rangarajan et al, 2008) shows that payment by results systems do not work well for those who are hardest to place in work and that these are the people who are most discriminated against. This financial structure always pushes the for-profit businesses towards "cherry picking". People with mental health problems are among those who are the most difficult to place and it is likely that they will not be found jobs. It needs to be ensured that people with mental health problems are not excluded from the systems to support them into work because they are unattractive to companies who are trying to recoup their investments through quick and easy wins.

It should be noted that the Government's own specialist schemes also discriminate against people with mental health problems. Workstep has only 6% of its 20000 places filled by people with mental health problems and Access to Work (see below) has less than 1% of its budget used by people with mental health problems.

We would like to see:

- Clear plans developed for the contractual arrangements for the providers of schemes aiming to get people with mental health problems back into work to ensure that cherry-picking of easier to place clients does not occur
- Steps taken to ensure greater equity of access for people with mental health problems to already existing schemes such as Workstep and Access to Work.

## 3. *Skills that are needed to help people with mental health problems into work.*

At present there is no Vocational Rehabilitation profession in England, although they do exist in the US, Canada, Australia, New Zealand, and most other Northern European countries. There are only two vocational rehabilitation courses in this country at present, plus the UNUM scheme to introduce the National Institute of Disability Management and Research (NIDMAR) training from Canada. These courses have all been running for only 1-2 years so far and in total will produce less than 70 qualified workers annually. Only one offers, any modules on evidence based supported employment for people with mental health problems.

Specialist voluntary sector mental health organizations have been virtually excluded from Pathways to Work contracts and very few have any track record in getting people into work. In addition these organisations may be further disadvantaged under the system of payment in arrears suggested in the Freud report, as none will have the capacity to make up front investment in the staffing that will be needed to get results.

We would like to see:

- A clear statement to support the development of courses for vocational rehabilitation that support the plans to get people with mental health problems back to work.
- That these courses provide training on evidence based supported employment approaches
- That the specialist voluntary sector mental health organizations are not excluded or disadvantaged from the provision of the back to work schemes for people with mental health problems.

#### 4. *The workforce capacity to help people with mental health problems into work.*

It is important that the questions of how many personal advisers will be needed for the new system and where they will come from are addressed. At present the only readily available pool of trained advisers is in Jobcentre Plus and presumably some of these will be taken over into the provider-led schemes. It is possible that the new advisors will lack experience of the job market unless there is investment in training up a new profession. Will the private companies make this up-front investment into training and will it be a condition of being awarded contracts?

We would like to see:

- The plans for the development of the capacity and training for the personal advisers clearly set out.
- A clear statement of how investment will be made in the training of the personnel advisers and the role of the new providers in this.

#### 5. *The national variation in available jobs.*

Incapacity benefit claimants are overwhelmingly concentrated in those parts of the country where heavy industry and mining have disappeared, for example the north-east and north-west of England, the west of Scotland and south Wales. For example, in Merthyr nearly 20% of the working age population are on incapacity benefit, compared to Farnborough where it is 1%.

Some commentators believe that about 35% of the incapacity benefit (and future ESA) caseload is displaced unemployment and unless the economic problems of these areas are resolved, no amount of welfare reform is going to enable the Government to reach its target of one million off incapacity benefit. It is possible that in the forthcoming recession solving these problems will be particularly difficult.

We would like to see:

- A clear strategy laid out to address the problems faced in those areas of the country where the numbers of incapacity benefit claimants is high
- How the welfare reform proposals will link with the community regeneration efforts in the high incapacity benefit areas.

## 6. *Conditionality, sanctions and safeguards.*

A key area of the bill is the extension of conditionality for those people claiming benefits, building on their work in the previous Welfare Reform Act. We understand that this is the direction of travel but believe that it must be recognized that there needs to be additional support for people with mental health problems, whose needs will be far more complicated. Conditionality may have the perverse effect of being counter-productive. We are particularly concerned with how this will work in practice and we are concerned about the case made in the consultation document for increased conditionality particularly as the most recent welfare reform changes have not yet been put into effect. There is no evidence for its effect, and it is likely to be ineffective as it will undermine the relationship between claimant and adviser and not make best use of people's own knowledge of what does and does not help them. It is also difficult to apply fairly to people with fluctuating conditions. It risks real harm by making people fearful or pushing them into unsuitable jobs or other activity. 'Work for benefit' is effectively penalising people for things that may be beyond their control such as their health, not being able to get a job or getting a poor service from their service provider. In addition, there is no clear evidence that the methods that will be used to assist people with mental health problems back into work will be effective; although they may be for people with physical health problems, thus creating an unjust discrimination against people with mental ill-health.

Whilst we acknowledge that sanctions may be justified in a small number of cases we consider that their use in people with disabilities should be restricted. The use of work-focused interviews offers an opportunity to review the assistance necessary for people with mental health problems into work through, for example, through the evidence based systems suggested above, and to result in the necessary support required to assist in peoples' return to work. The keys to conditionality working is that there are support services to get people in to, or back to, work and that these services are based on the best available evidence.

We would like to see:

- Agreement with the principle that people not be penalised for factors beyond their control and that the fluctuating nature of many mental health problems will be appropriately taken into consideration.
- That the proposed measures for conditionality are not implemented at this stage but that they are reviewed when the impact of the new Work Capability Assessment and Work Focused Health Related Assessment has been fully assessed.
- A 'support first' approach whereby a person is not required to take steps before any necessary support has been set up and that the methods used to assist people with mental health problems are based on firm evidence of their effectiveness.
- Safeguards when people disagree with decisions or the way they are treated, including clear mechanisms for review, appeal and complaint.

## 7. *The engagement of employers.*

The attitudes and actions of employers are central to increasing the rate of employment of people with mental health problems. However, whilst the consultation paper places a responsibility on individuals it has little to say on employer responsibilities. Fewer than four in ten employers say they would recruit

someone with a mental health problem. Employers have said they disregarded applications from people with drug or alcohol problems, a criminal record, a history of mental health problems or incapacity. More than half of respondents to a recent survey said nothing would persuade them to recruit from these 'core jobless' groups (CIPD, 2005). In short a major barrier to employment is the attitudes of employers, based on misunderstandings about the capabilities of people with mental ill-health that are common throughout society. This situation does not appear to have changed significantly despite growing awareness of the problem over the last decade and vigorous campaigns and programmes to improve it. More concerted and targeted effort needs to be made to address employer's lack of knowledge of and concerns about employing, and retaining in employment, people with mental health problems.

We would like to see:

- A clear plan regarding the Government's expectations of employers and the role of employees in assisting in the return to work schemes for people with mental health problems
- A coherent national system of advice and support to employers on mental health at work which includes advice about evidence based schemes to improve well being at work, support people who have mental health problems in the workplace and examples of reasonable adjustments that can be made for people with mental health problems.

#### 8. *Access to Work.*

We welcome the commitment to double the budget for Access to Work (AtW).

However, at present this budget is used by few people with mental health problems and there is little documented experience of using it in this group, although there is anecdotal evidence from service users of how useful it can be in keeping them well established in the work force. We are also aware that Royal Mail has developed a model of AtW that may have benefits for those with mental health problems.

Some new thinking is required on AtW if it is to be made accessible to people with mental health problems. For example, AtW might be provided in the form of 'credits', based on an insurance approach or a 'call out' service (likened to computer maintenance), allowing people to draw on it when required, for example by securing out-of-hours support, mentoring, counselling or stress management. This might be achieved via partial integration with individual budgets. This approach may enable people with fluctuating conditions to benefit. AtW might also be beneficial for job coaching and paying for temporary cover.

Bureaucracy and costs could be reduced by introducing degrees of self-assessment, in particular for long term users of AtW, especially where it is clear that the basic need for AtW support is unlikely to change. At present AtW does not support individuals to sell themselves to prospective employers as it is not perceived as part of the individuals 'capital' whereby they are able to assure employers that the adjustments AtW brings come with the package. Very often the slow bureaucracy puts people at a severe disadvantage. This is an argument both for self-assessment and AtW being part rolled into individual budgets.

AtW is currently only useful for people in work and is not available for those trying to get into work. In addition, AtW does not aid individual progression and can act as a barrier given the assessment is at the point of job entry or the onset of an impairment or health condition and not part of an ongoing 'getting on' package of support

The low take up of access to work is also part of the wider problem that employers, particularly at middle management level are not well versed in how to give appropriate reasonable adjustments to employees with mental health problems and therefore lack an understanding of their legal obligations in this regard. Access to work staff and occupational therapists may also require training in appropriate adjustments.

We would like to see:

- Further detailed consideration given to the ways that people with mental health problems can use AtW and for what.
- An explicit costing of the effects of allowing increased access to AtW by people with mental health problems that can inform the actual budget made available for AtW.

#### 9. *Benefits on return to work.*

There remain some aspects of the benefits system that may impede those on incapacity benefit getting into work. One aspect is the loss of benefits for those working over 16 hours per week. In addition the local aspects of benefits, such as housing benefit and council tax exemption, will also be lost. This could leave people disadvantaged, especially if their employment is on a temporary basis and is low paid.

We would like to see:

- A review of the payment of benefits that would allow people to return to work with risking the loss of income, including more flexible use of the 16-hour rule and the maintenance of local-based benefits during the early period of employment

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