

No one written off: Reforming welfare to reward responsibility

A response from Citizens Advice Scotland



**Based on the evidence of
Citizens Advice Bureau
clients across Scotland**

by **Lindsay Isaacs**
Social Policy Officer

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Citizens Advice Scotland

Scottish Association of Citizens Advice Bureaux



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By Lindsay Isaacs, Social Policy Officer

Citizens Advice Scotland and its 71 CAB offices form Scotland's largest independent advice network. CAB advice services are delivered through 199 service points throughout Scotland, from the islands to city centres.

The CAB service aims:

to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities, or of the services available to them, or through an inability to express their need effectively

and equally

to exercise a responsible influence on the development of social policies and services, both locally and nationally.

The CAB service is independent and provides free, confidential and impartial advice to everybody regardless of race, sex, disability or sexuality.

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Key messages

- CAS is particularly concerned about the overall approach of the Green Paper given the downturn in the UK economy. Unemployment and long-term unemployment levels are rising, and predicted to rise significantly higher over the next few years. Many of the policies contained in the Green Paper were conceived in a different economic climate and therefore designed to address fundamentally different problems from those we face today. CAS therefore has serious doubts as to how effective the proposals will – or can - be in meeting the UK Government's own aspirations for employment.
- We do not believe that increased conditionality and sanctions are a necessary, appropriate or effective means of encouraging marginalised groups back to work. We would welcome proof from the DWP that the proposals in the Green Paper which continue to ramp up conditionality and sanctions are based on sound independent evidence, which clearly indicates their efficacy in helping people back to work.
- The UK Government must focus on the responsibilities of *all* the groups involved in the 'employment jigsaw', if it is to meet its own objective of increasing the number of people in work. In other words, all elements of the system must be given equal consideration. However, the current proposals focus almost exclusively on the responsibilities of claimants, without commensurate attention being paid to the responsibilities of government, employers and service providers.
- We find it hard to reconcile the resources required for effective national delivery of the proposals with the DWP's ongoing staff and budgetary cuts, combined with its ambitious programme of legislative and service delivery changes
- In many instances, the Green Paper fails to acknowledge or address how the proposals will be implemented in the devolved context of Scotland. This is imperative, as the proposals encompass policy areas devolved to the Scottish Government such as criminal justice and health
- The Green Paper also fails to take into account the different demographics of Scotland and the impact of the proposals on, for instance, Scotland's large rural population
- The Green Paper seems to emphasise work as the only really acceptable means of contributing to society. We are concerned that this diminishes the value of other roles, such as volunteering, and risks marginalising those people who are unable to engage in work, such as carers and some people who are sick or disabled
- There are key issues that are either missing from the Green Paper, or skirted over, including how the UK Government intends to tackle in-work poverty and employer discrimination

Executive summary

Chapter 2: An obligation to work

- A more personalised system of support for jobseeker's allowance claimants will be labour and resource intensive for Jobcentre Plus to deliver. This is hard to reconcile with the DWP's ongoing staff and budgetary cuts
- We do not support the proposals to introduce a stronger conditionality and sanctions regime in relation to jobseeker's allowance
- We have serious concerns about the introduction of a compulsory work for your benefit scheme, that will effectively compel people to work full-time for benefit-level pay
- CAS is of the view that adequate safeguards are already in place for identifying and punishing benefit fraud
- We do not agree with the proposed approach for problem drug users, as we do not believe that compulsion and coercion will help them overcome their addictions and move closer to the labour market
- CAS supports the increased emphasis on skills and training, but believes this support should be offered on a voluntary basis
- We do not support the proposal to move all lone parents from income support to jobseeker's allowance, and refute the claim that this would represent a simplification of the benefits system
- CAS welcomes the DWP's review of the 16-hour rule
- We are disappointed that the Green Paper pays scant attention to the role of employers within the rights and responsibilities agenda, such as proposals to tackle entrenched labour market discrimination

Chapter 3: No one written off

- CAS has serious concerns about the proposals to re-assess all existing incapacity benefit claimants using the new Work Capability Assessment, and introduce repeat re-assessments at more frequent intervals
- Case evidence shows ongoing problems with existing decision-making in relation to incapacity benefits, and we would like an overt commitment from the DWP to improving the quality of decision-making
- We are of the view that the level of conditionality for the work related activity group of employment support allowance should not be increased to include job search activity
- We welcome the proposal to double the Access to Work budget, but caution that it will still only help a fraction of disabled people of working age

Chapter 4: Ending child poverty

- CAS welcomes the reiteration of the UK Government's aim to eradicate child poverty by 2020. However, we are concerned that some of the policies in the Green Paper – such as benefit sanctions – run counter to this aim
- We welcome the proposal to disregard child maintenance fully in all out-of-work benefits from 2010
- We urge recognition of the increasing levels of in-work poverty which mean that, while work often does provide an effective route out of poverty, this is not a guaranteed route

Chapter 5: Delivering choice and control for disabled people

- CAS supports in principle the idea of individual budgets, but cannot comment further due to the lack of detail in the Green Paper

Chapter 6: Simplifying and streamlining the benefits system

- CAS does not believe that carers currently on income support should be moved onto jobseeker's allowance. As with lone parents, we believe that the creation of a two-tier jobseeker's allowance would complicate rather than simplify the benefits system

Chapter 7: Empowerment and devolution

- CAS does not support the increasing involvement of private and voluntary service providers in welfare reform
- We have ongoing concerns about providers being paid by results, which could see vulnerable claimants with more complex needs being 'parked', as they do not represent good value for money

Introduction

1. Citizens Advice Scotland (CAS) is the umbrella organisation for Scotland's network of 71 Citizens Advice Bureau (CAB) offices. These bureaux deliver frontline advice services throughout nearly 200 service points across the country, from the city centres of Glasgow and Edinburgh to the Highlands, Islands and rural Borders communities.
2. CAS welcomes the opportunity to respond to the DWP's latest green paper on welfare reform, *No one written off: Reforming welfare to reward responsibility*. Our response is based on the actual experiences of CAB clients, anonymised and presented as case evidence. This is made possible by the CAB service's social policy feedback mechanism. Bureaux throughout Scotland highlight the problems in their area by sending in specific case examples that are indicative of wider issues. This information is collated and analysed by CAS in conjunction with social policy statistics from each bureau.
3. CAS is well placed to comment on the Green Paper proposals due to the profile of our client group and the sorts of issues they bring to bureaux.
4. In 2007-08, nearly one third of all enquiries – 29.7% - related to social security benefits, which remains the largest broad area of enquiry for bureaux. Within this category, bureau advisers handled 5,843 enquiries about jobseeker's allowance; 25,290 enquiries about disability benefits; 14,792 enquiries about sickness benefits; 10,854 enquiries about income support and 11,681 enquiries about tax credits.
5. Furthermore, last year 10% of all enquiries brought to Scottish bureaux related to employment issues. The majority of these – 23,569 enquiries – were concerned with terms and conditions of employment. Other significant areas of concern were dismissal (7,009 enquiries), redundancy (3,154 enquiries) and discrimination/intimidation (2,390 enquiries).
6. *No one written off: Reforming welfare to reward responsibility* focuses on helping groups that are far from the labour market and facing multiple disadvantage into work. Again, CAS is well placed to comment on these policy proposals as our clients are often very vulnerable and present with complex problems and overlapping needs. Research that we conducted in 2006 into CAB clients claiming incapacity benefit and/or disability living allowance showed that, compared with the general population, they were more likely to be living in social rented housing and be in single parent households¹. Previous research CAS conducted into Scottish CAB debt clients showed that a fifth of debt clients were lone parents, making them the second largest group (after single adults) of CAB debt clients in terms of household composition².
7. We are keen to engage as fully as possible with the UK Government's ongoing process of welfare reform, as we believe that our evidence of clients'

¹ Paying the price: The real costs of illness and disability for CAB clients, Citizens Advice Scotland, July 2006

² On the cards: The debt crisis facing Scottish CAB clients, Citizens Advice Scotland, February 2004

experiences is of significant value and should help inform current and future policy direction. In 2003, we responded to the *Pathways into work: Helping people into employment* consultation³, and in 2005 we responded to the DWP's proposals to reform incapacity benefit published in advance of the green paper⁴, as well as the Work and Pensions Select Committee's enquiry into the reform of incapacity benefit⁵. Most recently, in 2006, we responded to the welfare reform green paper, *A new deal for welfare: Empowering people to work*⁶ and last year we responded to the welfare reform green paper, *In work, better off: Next steps to full employment*⁷.

8. CAS is also a founding member of the Scottish Campaign on Welfare Reform (SCoWR), a coalition of over 40 organisations representing and working with lone parents, people with disabilities, homeless people and other groups facing barriers to moving into work. SCoWR is issuing a letter to the Secretary of State for Work and Pensions in response to the current Green Paper, which highlights members' key concerns with the proposals.
9. As noted in our previous welfare reform responses, CAS broadly welcomes the UK Government's aspiration of an 80% employment rate, and acknowledges the key role this target has as part of its wider strategy to eradicate child poverty by 2020. In order to reach this ambitious target, the DWP has acknowledged that it must focus on helping groups of people who have traditionally been excluded from the labour market. Again, CAS continues to welcome the UK Government's aspiration of ensuring that everyone who is ready to work has the opportunity to do so.
10. However, whilst we welcome the broad aims that underpin the current proposals, we have a number of concerns with the strategies for how these are to be met. Overall, we are concerned that the policies contained in the Green Paper were designed to address different problems from those that we are facing in the current economic downturn. In addition, the welfare to work agenda continues to ramp up the responsibilities of claimant groups, without paying similar regard to the responsibilities of government, employers and contracted providers. We are also concerned that the support systems and resources – such as childcare and high quality jobs - that are critical to allow claimants to fulfil their obligations are not necessarily in place.
11. In compiling our response, we have broadly followed the structure of the Green Paper, but have not limited our comments to the 29 specified consultation questions.

³ Pathways to work - helping people into employment: A response from Citizens Advice Scotland, Citizens Advice Scotland, February 2003

⁴ Shaping the incapacity benefit reforms green paper: A response from Citizens Advice Scotland, Citizens Advice Scotland, June 2005

⁵ Work and pensions select committee inquiry into the reform of incapacity benefits: A response from Citizens Advice Scotland, October 2005

⁶ A new deal for welfare: Empowering people to work, A response from Citizens Advice Scotland, April 2006

⁷ In work, better off: Next steps to full employment, A response from Citizens Advice Scotland, October 2007

⁸ Reducing poverty, increasing support: The TUC response to the Freud report, TUC, 2007

Chapter 2: An obligation to work

12. This chapter sets out proposals to ensure that people do not become detached from the labour market or locked into long-term dependency on benefits. It focuses on claimants of jobseeker's allowance, drug users on benefits and the skills agenda.

A more personalised approach

13. The chapter starts by recapping the DWP's existing plans for modernising jobseeker's allowance and replacing elements of the new deal programmes with a Flexible New Deal. We responded in some detail to these proposals last year, in our response to *In work, better off*, and our views remain the same.
14. In summary, we are supportive of the move to a citizen-centred welfare system that offers a more bespoke level of support to jobseeker's allowance claimants. A flexible approach will bring particular benefits to those with multiple disadvantage, whose complex and overlapping needs are often overlooked by the DWP's traditional 'client group' approach. However, any increase in personalisation will require additional human and financial resources, and we are concerned about the DWP's ability to provide these given its ongoing budgetary and staffing cuts, and policies designed to 'reduce footfall' in local offices. The following cases indicate the problems that vulnerable CAB clients are currently experiencing in getting even a fairly low level of help and support from jobcentre plus staff. We therefore remain sceptical about the DWP's ability to provide the additional support required by a more personalised benefits system, and fulfil its part of the 'rights and responsibilities' bargain.

A West of Scotland CAB reports of a client who suffers from depression, who had applied for and been refused incapacity benefit. She was upset about the service she'd received from Jobcentre Plus, and reported that the staff were rude, inattentive and unwilling to deal with her enquiry. The bureau supported the client to appeal, and were successful in getting the decision overturned.

An East of Scotland CAB reports of a client who left her job, and the following day went to the Jobcentre for help claiming benefits. She was told to phone regarding her claim, but not offered the use of a phone at the Jobcentre Plus. In addition, the client has learning difficulties and finds communicating by phone problematic. Jobcentre Plus staff were oblivious or unsympathetic to her situation, and seemed disinclined to offer any assistance. At the CAB, the adviser phoned on the client's behalf and, once a Jobcentre Plus staff member became available to take details, passed the phone to the client who was able to answer the questions herself. The bureau notes that all she needed was support and help to establish contact, which the Jobcentre Plus staff should have offered.

An East of Scotland CAB reports of a homeless disabled man who, following a separation from his partner, needed help claiming the appropriate benefits. He had tried to get help from his local Jobcentre Plus office, but had been stopped at the door by security guards who had refused him entry as he did not have an appointment. Instead, they simply gave him a card with some DWP contact numbers on it – even though he had no access to a phone or money.

15. In last year's consultation response, we called for the standard entry point onto the Flexible New Deal to be moved from one year in receipt of jobseeker's allowance to six months. Given the sound evidence that people facing a labour market disadvantage face a rapid decline in their level of employability⁸, CAS still believes that moving forward the entry point onto the Flexible New Deal in this way would contribute to the UK Government's aim of preventing benefit claimants from becoming detached from the labour market. We note recent research by the Joseph Rowntree Foundation, in which there was a concern amongst those interviewees who were claiming jobseeker's allowance or looking for work that the help available from employment programmes started too late⁹.

⁹ Problems in the delivery of benefits, tax credits and employment services, Joseph Rowntree Foundation, June 2008

A West of Scotland CAB reports of a client who had been in receipt of jobseeker's allowance for under six months. He was disappointed at the lack of support he had been receiving from Jobcentre Plus staff in helping him find employment, or funding for a training course he had identified. He had been told he should get more help after he had been claiming jobseeker's allowance for 26 weeks. The client was very frustrated, as he felt it would become harder and harder for him to get a new job, the longer he had been out of work.

16. We also stated in last year's response that the move to a more flexible and personalised system would result in a significant increase in the level of discretion inherent in the jobseeker's allowance decision making processes. We therefore sought a commitment from the DWP that robust safeguards would be built into the new system, so that the increases in Jobcentre Plus adviser discretion would be supported by a commensurate increase in their formal training and support in this area. Again, we continue to seek a commitment from DWP on this issue.
17. The current Green Paper indicates that certain people – namely those who have a recent history of long-term unemployment and 18 year olds who have spent the previous six months out of education, training or employment – will be fast-tracked directly to the 'supported search stage' of jobseeker's allowance (which would normally be reached six months into a jobseeker's allowance claim). We note that last year's Green Paper contained a proposal to fast-track certain groups of claimants onto the Flexible New Deal itself, rather than just further along the jobseeker's allowance claim process. CAS welcomed this proposal, as quick and accurate diagnosis of multiple need and early intervention are key to supporting vulnerable people into work. We therefore seek clarification from the DWP as to whether the proposal to fast-track onto the Flexible New Deal has been replaced by a fast-track onto the 'supported search stage' of jobseeker's allowance which would represent a scaling back of the amount of support on offer to those who are fast-tracked.
18. We also welcome the proposal in the current Green Paper that 'others who are at a disadvantage in the labour market' can volunteer to be fast-tracked to the supported search stage of jobseeker's allowance. However, we are concerned that the Green Paper states that this support will only be offered 'subject to capacity', as this could deny vulnerable claimants access to the support and services they require to move closer to the labour market. It also raises questions of how claimants' relative need will be assessed or prioritised, which is critical given that the success of a fast-track system depends on the skill and finesse with which it identifies those most in need. We would therefore like a commitment from the DWP that this additional support and help will be made available to all those jobseeker's allowance claimants wanting to make use of it.

A stronger sanctions regime

19. This section of the Green Paper contains proposals relating to conditionality and sanctions in relation to jobseekers. As in our previous welfare reform responses, CAS rejects the DWP's assertion that sanctions are an effective or necessary means of encouraging benefit claimants to move towards the labour market. We are concerned about the direction of travel in relation to welfare reform, which sees an overall ramping up of conditionality and sanctions regimes, and would welcome proof from the DWP that its policies are based on sound evidence of their efficacy and appropriateness. Furthermore, the sanctions regime will be labour-intensive and costly to administer – the DWP's limited resources could be spent much more effectively on providing additional support.
20. The existing benefits sanction regime is not effective and is poorly understood by those who receive penalties.

A West of Scotland CAB reports of a lone parent client with two children. During the course of her enquiry, she reported that her income support payments had only been £37 per week for at least the last year. The CAB adviser contacted Jobcentre Plus, who stated that her benefit was being sanctioned for non-attendance at work focused interviews. The client was not aware that her benefit was being sanctioned or why this was the case.

An East of Scotland CAB reports of an unemployed male client with three children. He had been in prison the previous year, but started working on release. However, he lost his job to look after his wife who was having a difficult pregnancy. He subsequently claimed jobseeker's allowance, but his payments have been sanctioned as his caring responsibilities made it hard for him to comply with the conditionality regime. He did not understand why he had been sanctioned, as it would not help him find a job or an effective solution to the situation.

21. Indeed, recent research by the Joseph Rowntree Foundation highlighted that the sanctions regime for different working age people is complex to understand, both for users and DWP staff¹⁰. Sanctions are also not necessary, as the vast majority of people on jobseeker's allowance want to move into employment. Consequently, we would contend that voluntary employment programmes that encourage and support participants are far more effective in moving people into sustainable jobs, than punitive systems of conditionality and sanctions. Indeed, the recent Joseph Rowntree report notes that many of the working age interviewees valued voluntary employment

¹⁰ *ibid*

programmes, with more negative experiences being reported by those who felt coerced into participation¹¹.

22. We are particularly concerned about the use of sanctions in relation to certain groups who will find it hard to comply with the jobseeker's allowance conditionality regime. This is particularly relevant given that, over the next few years, changes to the benefits system mean that a large number of claimants will be moving onto jobseeker's allowance from other benefits. From October 2008, the majority of lone parents whose youngest child is 12 will no longer be eligible for income support (with this age dropping to 10 in 2009 and seven in 2010). Jobcentre Plus has estimated that, of the existing cohort of income support claimants who are affected by this change, 45% will move onto jobseeker's allowance¹². In addition, the UK Government estimates that 60,000 more people a year will fail the work capability assessment that forms the gateway onto employment support allowance than are currently failing the personal capability assessment that forms the gateway onto incapacity benefit¹³. A substantial proportion of these people can be expected to move to jobseeker's allowance.
23. In essence, this means that there will be many new jobseeker's allowance claimants facing particular challenges that might make it hard for them to comply with aspects of the conditionality regime. For lone parents, this might mean difficulty attending a work focused interview if their child becomes unexpectedly ill, or problems taking up a work placement because suitable child care is not available. For people who have fluctuating and mental health conditions, there will be huge variations in what activities they can reasonably undertake at any point in time.

A North of Scotland CAB reports of a lone parent client, with a 13 year old daughter. She had recently gone back to work, but had to give up her job after only three months when her daughter was diagnosed with glandular fever which meant she would be off school for many weeks. The client came to the CAB to enquire about what benefits she might be entitled to, and was worried about how she would manage to attend work focused interviews in relation to income support.

¹¹ *ibid*

¹² Slides from Jobcentre Plus presentation at Welfare to Work conference, organised by the Centre for Economic and Social Inclusion, Glasgow, April 2008

¹³ Impact assessment of the Employment and Support Allowance regulations 2008 – Public sector impact only, DWP, April 2008

An East of Scotland CAB reports of client with a long-term alcohol dependency problem. This fluctuates, with periods that are particularly bad and periods that show improvement. The CAB notes that, during one of his bad periods, he was unable to attend a medical examination in relation to his incapacity benefit. As a result, his incapacity benefit was suspended and this had a knock on effect on his entitlement to council tax benefit, leading to council tax arrears. The CAB worked with him to get his incapacity benefit reinstated, and £775 of backdated council tax benefit.

24. For these people – and other jobseeker’s allowance claimants who might find it hard to comply – it is absolutely critical that the system is able to take their specific needs into account. It is therefore essential that Jobcentre Plus personal advisers are trained to identify and respond to individual claimant needs, so that they do not face sanctions at the same time as dealing with, for instance, the distress of a worsening state of health or a sickly child. Suitable safeguards must therefore be built into the system, such as adequate opportunity for claimants with mental health conditions to be able to demonstrate reasonable cause for non-attendance or failing to comply with another aspect of work-focused activity.
25. In our response to *In work: Better off*, we highlighted how the increased conditionality regime will also prove particularly problematic for Scotland’s large rural population, in terms of additional travel time and expense. These problems are further magnified in the context of the DWP’s efficiency drive, which has led to the closure of local offices.

A North of Scotland CAB reports that, since the closure of the local benefits office, claimants for jobseeker’s allowance, incapacity benefit and income support need to travel a 32 mile round trip to attend work focused interviews. They have been informed by the Jobcentre Plus office that costs for travel fall entirely on the claimants as there is no policy for reimbursement.

26. We are therefore very concerned about the proposals in the current Green Paper in relation to jobseeker’s allowance claimants, that include the automatic loss of one week’s benefit for claimants who fail to attend a fortnightly job review or appointment without good cause, and the loss of two weeks’ benefit for a second failure to attend. We seek further clarification from the DWP as to what might count as good cause for failure to comply in these circumstances, as well as details of what steps the DWP will take to establish if the claimant can demonstrate good cause. A claimant with a fluctuating mental health condition who has not been able to attend a work

focused interview, for instance, might also not feel able to answer a phone call from the DWP to explain their worsening health.

A West of Scotland CAB reports of a client who had contacted the CAB for help in relation to a community care grant from the social fund. He had been refused the grant, and the bureau was assisting him in asking for a review. He had been phoned by someone from the social fund early in the morning the previous week. He was groggy from the diazepam he had been prescribed, and tried to explain that he was not able to answer the necessary questions at that time, but the woman would not listen and eventually hung up on him.

27. We also continue to be deeply concerned about the impact of sanctions on household finances. The impact of a financial sanction will not be felt in isolation by the person who is deemed to have failed to comply, but will have an impact on all members of the household. This is particularly concerning for households with children, and seems to run counter to the UK Government's aspirations to eradicate child poverty by 2020. Evidence strongly suggests that jobseeker's allowance does not provide an adequate income and that families in receipt of the full amount of benefit are struggling to make ends meet. Indeed, we note that children in a household receiving jobseeker's allowance are more likely to be poor than any other group of children, running a 72% risk of poverty¹⁴. A reduced level of benefit following sanction will therefore plunge these already vulnerable families deeper into financial insecurity.
28. In addition, benefit sanctions have a harsher impact on those without access to other resources and strong social networks¹⁵. In essence, this means that they have a disproportionately harsh effect on those who are already the most vulnerable.
29. Although CAS do not support an increase in conditionality, if it is to be increased in this way then it needs to be matched by exemplary levels of high-quality support, services and safeguards – from the DWP, employers and contracted providers. Consequently, we welcome the statement that Jobcentre Plus is exploring how to speed up and improve the effectiveness of its decision-making processes in relation to sanctions, communicate decisions quickly and accurately when made, and ensure that claimants are aware of their responsibilities. We would like to see evidence that these elements are in place *before* people are subject to the stronger conditionality and sanctions regime. The following case shows the significant detriment that a client can face if they are not made fully aware of their responsibilities.

¹⁴ Reducing poverty, increasing support: The TUC response to the Freud report, TUC, 2007

¹⁵ Problems in the delivery of benefits, tax credits and employment services, Joseph Rowntree Foundation, June 2008

A North of Scotland CAB reports of a client whose jobseeker's allowance had been sanctioned. When he signed on the previous Thursday, he provided Jobcentre Plus with four examples of how he had been actively seeking work - reading job adverts in newspapers, cold calling companies, visiting the Jobcentre Plus local office and asking friends. However, he was told that he should have done six things. The jobseeker's allowance rules stipulate that a claimant must prove he has taken three or more steps within each week to show that he is actively seeking work. So, the CAB explained that it seemed he had been sanctioned as he had not shown three separate actions each week within the two week signing-on period ie a total of six actions. The client felt that this had not been adequately explained to him by Jobcentre Plus staff, and decided he would appeal with the help of the CAB once he received a formal letter regarding the sanction decision. The client was concerned about his finances but, as he was not in a designated vulnerable group, he could not claim a hardship payment within the first two weeks of being disqualified from jobseeker's allowance. The CAB referred him to a local charity for a food parcel.

30. Given that, as stated earlier, we do not believe the UK Government's policy in relation to conditionality and sanctions is based on sound evidence, we welcome the proposal to undertake a review of conditionality in other countries. However, we would urge that the results of such a review pay thorough attention to the broader policy contexts in which the systems of conditionality operate. In the UK, for instance, parents pay for approximately 75% of childcare costs, compared to an average of between 20-30% across the OECD¹⁶. In Sweden, the state meets nearly 90% of the costs of childcare, and also invests in training and employment programmes for lone parents at four times the level of investment in the UK¹⁷. Such differences mean that the results of any comparative study need to be interpreted with caution, and certainly cannot be imported wholesale into the UK's welfare system.

'Work for your benefit'

31. The current Green Paper contains a proposal called 'work for your benefit', which would mean that people who have not found work at the end of the Flexible New Deal process (i.e. after claiming jobseeker's allowance for two years, in most cases), would be mandated to engage in full-time community

¹⁶ How can childcare help to end child poverty?, Christine Skinner, Joseph Rowntree Foundation, 2006

¹⁷ Letter from Chris Pond, Chief Executive of One Parent Families, The Guardian, 16 February 2007

work, in return for their benefits. This represents a very significant extension of existing requirements for everyone engaging in the Flexible New Deal to work or undertake work-related activity for at least four weeks.

32. CAS is deeply concerned about these proposals. We do not accept that the introduction of a work-for-your-benefits policy will help the UK Government to meet its own employment targets. Indeed, we note recent research - published in August 2008 and commissioned by the DWP itself - which compared workfare programmes in the United States, Canada and Australia¹⁸. The report found firstly that, “there are few systematic evaluations that isolate the impact of workfare from other elements of welfare-to-work programmes such as compulsory job search activities”, meaning that there is a very limited pool of evidence on which the UK Government could have based its work-for-benefits policy.
33. The report goes on to state that analysis of the limited evidence that does exist shows that workfare programmes are not efficacious in terms of either reducing welfare caseloads or improving employment outcomes. We would expect the DWP to take full account of the following findings when implementing any work-for-your-benefits scheme:
- Reductions in welfare caseloads were attributable partly to workfare, *but also* intensive job search requirements and economic growth that enabled claimants to find jobs
 - There is little evidence that workfare increases the likelihood of finding work
 - Workfare can actually reduce employment chances by limiting the time available for job search and by failing to provide skills or experience that are valued by employers
 - Workfare is least effective in getting people into jobs in weak labour markets where unemployment is high
 - Workfare is least effective for people with multiple barriers to work, who often found it difficult to meet the obligations to take part in unpaid work, often leading to sanctions
34. In addition to the lack of supporting evidence, CAS is concerned about the introduction of a policy which will effectively compel people to work full-time for benefit-level pay. This seems to place the majority of responsibility on the individual for finding employment, with work-for-benefits representing a harsh and punitive measure to impose on them should they fail to do so. In essence, it turns support into punishment. This represents a skewed analysis of the reasons why people often fail to find work, failing as it does to take account of the wider economic and structural problems which often prevent people from finding and sustaining employment. These include in-work poverty, structural and administrative problems with the benefits system, employer discrimination, and a lack of suitable childcare, many of which are discussed in more detail elsewhere in this response. These issues are

¹⁸ A comparative review of workfare programmes in the United States, Canada and Australia, research carried out by CRESR on behalf of the DWP, August 2008

commonly reported by CAB clients, and we have recently documented them in an evidence-based briefing sheet looking at barriers to employment¹⁹.

35. If disabled people claiming jobseeker's allowance are expected to do voluntary work as a condition of claiming benefit, then the UK Government must extend its Access to Work scheme to include people working for their benefit, as well as people who are employed.
36. The fact that workfare is least effective in weak labour markets is particularly concerning given the current economic climate in the UK, in which unemployment is rising and set to rise further. According to the TUC, recent figures have shown an increase in unemployment, long-term unemployment (of at least 12 months) and the proportion of unemployed people who are long-term unemployed²⁰. Furthermore, the TUC states that the number of people unemployed for at least a year could rise from the current level of around 400,000 to around 700,000 by the end of 2009. We also note figures from Jobcentre Plus in Scotland, which highlight that for the period April-August 2008, the number of jobseeker's allowance claims received compared with the same period last year is up by 17.1%. Although we do not support the work for your benefits policy *per se*, we are particularly concerned about its application in times of rising unemployment, when individual jobseekers will effectively be punished for the failings of government and employers to create and sustain jobs.
37. We are also very concerned about the finding from the DWP commissioned research that workfare is least effective in helping people with multiple barriers to work, who often found it hard to comply with the conditionality regime. This means that the very people who require the most support from the welfare state are likely to end up facing sanctions for their inability to comply with a system that is poorly designed to meet their needs. Many people facing multiple barriers to work are also likely to fall into the vulnerable groups identified by the Joseph Rowntree Foundation (ie those without access to other resources and strong social networks, as noted above at paragraph 28) as those likely to feel the impact of sanctions most harshly.
38. These proposals will require costs to be met by the community sector organisations which provide the work-for-your-benefits posts, as benefit claimants engaged in these positions will require management, supervision, training and support. The Green Paper is silent on how these costs might be met, and we seek information from the DWP on this issue. Furthermore, we agree with Inclusion Scotland²¹ that these costs could be considerable, and will therefore only be worthwhile if they can be offset by participants acquiring skills and experience that will help them find long-term, quality employment. Given the results of the DWP commissioned research outlined above, we remain doubtful that the benefits of a work-for-your-benefits scheme will outweigh the costs.

¹⁹ Barriers to employment briefing sheet, Citizens Advice Scotland, July 2007

²⁰ Long-term unemployment could rise to 700,000 in 2009 warns TUC, TUC press release, 17 September 2008

²¹ Draft response to No one written off: Reforming welfare to reward responsibility, Inclusion Scotland, 2008

39. We are also concerned that a work-for-your-benefits policy might create a pool of free labour that would be exploited by unscrupulous employers. This would ultimately cause detriment to the whole labour market, as it would undercut good employers who are paying fair wages. There is already ample evidence of poor employers acting in ways that bring detriment to both their employees and the wider labour market.

A West of Scotland CAB reports of Polish client, working in a care home. She earns £120 for a 48 hour week, well below the national minimum wage. She has complained to the NMW helpline. She also has no contract of employment and has not received any payslips. An East of Scotland CAB reports of a client who has been employed in a hotel for a couple of months. She has not been given any payslips, and suspects that her employers are not paying national insurance contributions or tax on her behalf.

40. As we noted in our 2007 report on rogue employers, published jointly with Citizens Advice England and Wales, “The activity of [these] deliberately exploitative employers – including, in some cases, the non-payment of tax and national insurance – puts good employers at a competitive disadvantage, eventually forcing some to cut corners themselves or risk going out of business”²². We therefore seek assurances from the DWP as to how it intends to ensure that work-for-your-benefits does not create a pool of free labour that will be exploited by rogue employers.
41. We would like clarification from the DWP as to when people ‘fast-tracked’ through the jobseeker’s allowance claim process would be required to engage in the proposed work-for-your-benefits programme. Specifically, would the trigger point for entering the work-for-your-benefits programme be after two years of claiming jobseeker’s allowance, or would it be after completion of the Flexible New Deal (which will be earlier for those fast-tracked through the process)?

Fraud and the current criminal sanctions regime

Question 4: What penalties do you think would be most effective to deter more people from committing benefit fraud?

42. CAS believes that adequate safeguards already exist for identifying and punishing benefit fraud. We note that the National Audit Office’s (NAO) 2008 report on benefit fraud states that, “The United Kingdom has levels of social security fraud and error which are similar to those in comparable countries,

²² Rooting out the rogues: Why vulnerable workers and good employers need a ‘fair employment commission’, Citizens Advice England & Wales and Citizens Advice Scotland, 2007

but...the Department of Work and Pensions has a better understanding than other nations of the problems and, on the basis of that research, is doing more to tackle them”²³.

43. NAO statistics bear this out, showing that the level of benefit fraud in the UK has dropped considerably over recent years. In 2006/07, the level of fraud was £0.8 billion, or 0.6% of overall benefit expenditure. During the period that fraud has fallen, financial losses from error have continued to grow. Last year, the level of benefit error was £1.9 billion – or 2.4 times the level of fraud over the same period. CAS would therefore contend that, instead of focusing more of its limited resources on tackling fraud, the DWP would be able to recoup far more in lost expenditure by increasing its efforts to tackle benefit error.

Question 5: Do you think it would be appropriate to reduce or withdraw entitlement to benefit after a first offence?

44. CAS does not believe it would be appropriate to amend the current ‘Two Strikes’ criminal sanctions regime so that benefit entitlement would be reduced or withdrawn after a first offence. We would support Inclusion Scotland’s view that such offenders should be cautioned, but not punished, as people might commit fraud through being ignorant of their responsibilities or the consequences of their behaviour²⁴. This is particularly true for more vulnerable benefit claimants.

A North of Scotland CAB reports of a client under care of a social worker and support worker. The client had previously been to the CAB for benefits advice because, in May 2008, he won £25,000 in a competition which meant he was no longer entitled to any means tested benefits. He has since received a letter from the local authority asking him to attend an interview under caution for not declaring he had come off income support, meaning he had therefore received three months council tax benefit to which he was not entitled. He came to the CAB for information and advice on benefits and fraud. The CAB adviser contacted the Council Fraud Officer, who said that had she known he was under the care of a social worker, she would not have pursued the case as he would be classed as a vulnerable person. She asked the bureau adviser to inform the client that no further action would be taken.

45. We are disappointed that the Green Paper proposes increased measures for tackling fraud, but contains no proposals designed to increase levels of benefit take-up. Given the current downturn in the economy, we would consider it

²³ Progress in tackling benefit fraud, National Audit Office, 2008, p5

²⁴ Draft response to No one written off: Reforming welfare to reward responsibility, Inclusion Scotland, 2008

absolutely critical that individuals are helped to maximise their incomes and that they are in receipt of all the benefits to which they are entitled. Current take up levels of many benefits are poor. Recent figures from the DWP indicate that between £9,090m and £14,380m of means-tested benefits and tax credits were unclaimed in 2005-06²⁵.

46. Our case evidence shows that the reasons for this low uptake are many and varied. In some cases, clients are simply not aware of the benefits to which they are entitled. There is very low recognition, for instance, that housing benefit can be claimed by people who are in work but on low incomes, and this can act as a barrier to employment. Other clients are aware of their entitlement but have made a deliberate decision not to claim, perhaps because of a previous poor experience with DWP that has left them reluctant to claim again.

A West of Scotland CAB reports of a client who had lost his job and was in receipt of jobseeker's allowance. He had built up rent arrears of over £1,000, which he cannot afford to pay. He did not know that he was eligible for housing benefit and council tax benefit.

An East of Scotland CAB reports of a couple who came to the bureau as they were concerned about meeting the costs of their very high heating bills. The CAB adviser conducted a benefits check, and established that they appeared to be due £3.58 in pension credit, £26.03 in housing benefit and £15.44 council tax benefit. This would be an enormous help to them financially.

A new regime for problem drug users

Qu 6: Do you agree with the proposed approach for identifying problem drug use? How should it be implemented? Do you think that everyone claiming a working age benefit should be required to make a declaration of whether or not they use certain specified drugs?

47. The Green Paper sets out new proposals for the identification and treatment of problem drug users within the benefit system. This includes changing the benefit rules to require all applicants for benefit to declare whether they are addicted to heroin or crack cocaine, and requiring those identified to see a drug treatment provider and specialist employment adviser, to draw up a rehabilitation plan. Failure to comply could result in a potential benefit sanction.
48. CAS does not agree with the proposed approach for drug users. We are not of the view that an approach based on coercion and compulsion will help this group of people overcome their addictions and move closer to the labour

²⁵ Income related benefits: Estimates of take-up in 2005-06, DWP, September 2007

market. Client case evidence shows that people with drug addictions often lead very chaotic lives and have complex needs.

A West of Scotland CAB reports of a male client who has recently been found fit for work and had his claim for incapacity benefit rejected. He wants to appeal the decision, as he suffers from a number of conditions – including chronic drug and alcohol abuse – that greatly impair his ability to work. His medical report states that he should be able to avoid domestic hazards, and yet the fire service has had to attend the client’s property on at least five occasions.

A West of Scotland CAB reports of a client who has drug and alcohol addictions, and severe mental health problems. His local authority has contacted him regarding an overpayment of housing benefits of just under £300. The client’s understanding of the situation is poor – the CAB notes that he disregards letters and lacks the necessary concentration skills to deal with the issue. The adviser notes that he has had little support in dealing with the situation.

A South of Scotland CAB reports of a client with drug and alcohol problems who had recently been released from prison. He had not been allocated a social worker and, while he was in prison, he was evicted from his home and his possessions were discarded. He wanted advice on a range of issues, but asked if he could make an appointment for a later date as he felt too agitated to concentrate.

A West of Scotland CAB reports of a client who suffers from mental health problems, and is a registered drug user. She was homeless, but had been offered accommodation about 17 miles away. She felt unable to take it, as she was insecure about filling her methadone prescription at a different chemist. Her income support had been suspended as she did not have a fixed address, and local Jobcentre Plus staff had insisted she needed to phone for a crisis loan, despite her telling them that she had no money with which to make a call.

49. Consequently, we believe that many drug addicts would simply not be able to comply with the requirements of a conditionality regime, and would thus face benefit sanctions. We support the view of the Scottish Drugs Forum, that, “Coercing people into services will be a waste of time, money and resources if people are not ready or unable, through no fault of their own, to “move

successfully” through treatment...and it is likely to lead to more crime being committed if their benefits are cut”²⁶.

50. Instead, we would argue that drug rehabilitation and support to move closer to the labour market should be available on a voluntary basis to those who seek them. Critically, the support on offer should not be compromised by being bound up in a regime of conditions and sanctions that would make people less likely to access it²⁷. We note the success of voluntary schemes in this area, such as the Addiction Worker Training Project (AWTP) in Glasgow, set up in 2004 by the Scottish Drugs Forum. AWTP supports people with a past history of drug and/or alcohol problems towards a recognised social care qualification, including work experience in social care settings, while being waged. The success of the course is very high, with nine out of 10 people successfully completing the course over the last three years securing employment²⁸.
51. Drug users face a specific range of barriers to employment, which need to be well understood and sensitively and appropriately managed by Jobcentre Plus staff and specialist staff engaged with them. For many recovering drug users, moving back into full-time work would be too great a step to undertake. Being forced to make this step before they are ready could ultimately be counter-productive, creating stress and anxiety and, in some cases, precipitating a relapse into drug use.
52. One of the key barriers for recovering drug addicts moving into work is the attitudes of employers. Indeed, a recent study found that employer prejudice is the most important barrier to these clients getting work. The Green Paper is silent on this issue, and we would therefore seek clarification from the UK Government as to how it proposes to tackle this very significant hurdle.
53. The Green Paper proposes the introduction of a ‘Treatment Allowance’ that would replace normal benefit payments while problem drug users stabilise in treatment. Although views are invited on this proposal, it is difficult to comment given the lack of detail included in the document. However, we would be very concerned if the ‘Treatment Allowance’ were paid at a level lower than the recipient’s normal benefits, as this would effectively mean they were being financially penalised for taking steps to tackle their addiction.
54. CAS would also urge recognition that, as well as addressing the symptoms of drug use, attention needs to be paid to the underlying causes. Although drug problems do not exclusively affect people living in poverty and deprivation, there are strong links²⁹. The Scottish Futures Forum recently completed a year long programme of work designed to answer the question, *How can Scotland reduce the damage to its population through alcohol and drugs by half by the year 2025?* CAS supports the Forum’s conclusion that reducing

²⁶ UK Government seeks talks on welfare reform for Scotland’s drug users, press release, Scottish Drugs Forum, 31 July 2008

²⁷ Draft response to No one written off: Reforming welfare to reward responsibility, Inclusion Scotland, 2008

²⁸ Response to the Scottish Government discussion paper on tackling poverty, inequality and deprivation in Scotland, Scottish Drugs Forum, June 2008

²⁹ *ibid*

inequality is critical to reducing alcohol and drug problems in Scotland, given that the association of alcohol and drug problems with inequality is high³⁰.

55. CAS would also like to note that some of the new measures proposed for drug users cannot be automatically extended in Scotland, because the strategy encompasses elements such as criminal justice and health which are devolved to the Scottish Government. The Green Papers states that the DWP is exploring these issues with the Scottish Government to see if these measures could be extended in Scotland, and we would welcome further information about how these discussions are progressing.

Work skills

56. The Green Paper places increased requirements on those out of work and claiming benefit to identify and address their skills needs. All people on benefits will have a skills screen at the start of their claim and, depending on the benefit they are claiming, they will then be subject to different requirements to identify and address their skill needs. These include mandatory skills health checks and attendance at relevant skills training to address those training needs identified as barriers to returning to work.
57. CAS recognises that a lack of suitable skills can pose a real problem for people wanting to find employment. We are therefore broadly supportive of the UK Government's approach to align more closely the employment and skills agendas, and to provide additional support to benefit claimants in relation to skills and training. However, we do not believe that such support needs to be part of a framework of conditionality and sanctions, and would contend that if the right support is offered to the right people and at the right time, they do not need to be compelled to take it up. We therefore believe that the additional skills support should be offered on a voluntary rather mandatory basis.
58. However, if the proposals relating to skills are to be mandatory, we would like additional information from the DWP as to how it intends to assess the quality of training received, and what assurances claimants will have that the training they are required to undertake is indeed helping to prepare them for employment. We also seek further clarification about what choices claimants will be given about the type and level of training in which they must engage, and what their options are if they start training that they later feel is not fit for purpose. It is essential that people are able to undertake training that is appropriate to their own needs and ambitions, rather than provision of training simply being seen as a tick-box exercise. The following case clearly demonstrates the danger of Jobcentre Plus adopting an inflexible approach to training requirements that does not take into account individual circumstances.

³⁰ Approaches to alcohol and drugs in Scotland: A question of architecture, Scotland's Futures Forum, 2008, p57

An East of Scotland CAB reports of a client in receipt of jobseeker's allowance, who was given a place on a New Deal course. However, she lived in a rural area 50 miles from where the course was being held, 20 miles of which is narrow, twisty roads. The journey can be done by car in one and a quarter hours, but the client had to use public transport. This requires two connecting buses, takes over one and a half hours and is not available to get the client to town by the course start time of 9am. Consequently, Jobcentre Plus provided a taxi to connect with a bus that would get her there for 8.55am. The cost of the taxi was approximately £200 per week paid by the state. Her journey time was one hour and forty minutes – the client found this very stressful, but felt she had to comply or risk being sanctioned. The pressure also exacerbated some mental health issues.

59. We also support One Parent Families (OPF), who have called for more explicit acknowledgement that, following training, people need to be formally handed over to other support services, so they aren't 'left dangling'. As OPF notes, existing systems too frequently assume that, once completed, the claimant will be able to take the next steps on their own into further training or employment, instead of providing additional support to help with these often difficult transitions.
60. We have additional concerns about the resources that will be required by Jobcentre Plus to deliver the required number of skills screenings and skills checks. If these are to form the basis of the conditionality/sanctions regime in relation to skills, it is absolutely critical that the resources are in place to offer an exemplary level of service to benefit claimants. Consequently, if the skills screenings and checks are to be delivered by Jobcentre Plus personal advisers, there will be significant training requirements to ensure that they are able to deliver the high quality service on which claimants will be relying. We are concerned about the additional resources required by Jobcentre Plus in relation to these proposals, particularly given the DWP's current staffing and budget cuts, and seek clarification from the department as to how it intends to address these issues.
61. The Green Paper makes numerous references to *Work Skills*, a Command paper published earlier this year by the DWP and Department for Innovation, Universities and Skills³¹. However, *Work Skills* is the skills strategy for England. No mention is made of the Scottish equivalent, *Skills for Scotland*³², or the implications of extending the Green Paper's proposals on skills to the devolved administrations. We would therefore welcome clarification from the DWP as to what work is being undertaken in this critical area.

³¹ Work skills, Department for Work and Pensions and Department for Innovation, Universities and Skills, 2008, cm 7415

³² Skills for Scotland: A lifelong skills strategy, Scottish Government, September 2007

62. In addition to the above general comments about skills-related activity, we have a number of additional comments to make about skills in relation to employment and support allowance (ESA) claimants, and lone parents.

Question 8: when is the right time to require ESA claimants to take a skills health check?

Question 9: Should ESA customers be required to attend training in order to gain the identified skills they need to enter work?

63. We would contend that there is no 'right time' for ESA claimants to take a skills health check, and have concerns that imposing one might mean that these checks become a 'tick-box' method of providing support. What will be essential to the success of the skills health check will be the appropriateness of the contact, rather than sticking to a rigid timetable. The ability to tailor the process to individual claimant's needs and respond to their specific concerns will be of critical importance, and we would therefore welcome a move towards a more bespoke service, rather than adopting a one-size fits all approach. Central to this will be personal advisers' ability to understand and respond to individual requirements and, as noted elsewhere, we believe there will be a training need to enable them to do this effectively. Individual tailoring and the flexibility to respond to personal circumstances are the essence of the more personalised service to which the DWP has stated it is aspiring.
64. CAS would argue very strongly that ESA claimants should not be required to attend training. As noted elsewhere, we think skills and training support will be most effective if offered on a voluntary basis. However, for this group of claimants, it is particularly important that they do not feel compelled to undertake activity for which they are not ready. As client case evidence shows, clients who are ill or disabled can suffer real setbacks in their health if they are forced or perceive they are being forced to do too much too soon. This may ultimately be counterproductive if it exacerbates existing health problems and reduces people's long-term prospects of moving into employment.

A West of Scotland CAB reports of a male client who suffers from depression, anxiety and a musculoskeletal problem that affects his jaw, neck, shoulders and back. He was in receipt of incapacity benefit, but his entitlement was removed after he failed a medical. He did not want to apply for jobseeker's allowance as he did not feel that he was able to work. He came to the bureau very concerned about how he would survive with no benefits income. The distress was worsening the client's health.

65. People who are in receipt of incapacity benefits and considering taking up a job or training course are often concerned about how it will impact on their health and benefits. A supportive approach that offers sound advice will be

much more effective in helping them move closer to the labour market than a coercive regime that creates fear and anxiety.

A North of Scotland CAB reports of a client in receipt of incapacity benefit who was considering a work trial of 16 hours. However, she was concerned that returning to work would worsen her medical condition and wanted to find out about re-claiming incapacity benefit if this was the case. The CAB advised her about the linking rules, which state that two periods of incapacity for work which have a break between them of 56 days or fewer are treated as one period of incapacity for work.

66. We note DWP research on the Pathways to Work pilots for incapacity benefit claimants showed that personal advisers viewed themselves as enablers rather than enforcers, and felt that gaining the confidence of claimants and letting them move at their own pace were important for gaining co-operation. This was reflected in claimants' perceptions too, who generally viewed personal advisers as helpful, supportive and not too pushy³³.

Question 10: In view of the need to help lone parents develop the skills they need to find work, are we right to require lone parents to have a skills health check and training as a condition of receiving benefit?

67. The need for skills-related activity is particularly relevant to lone parents, who often have low skill levels. Indeed, one quarter of non-working lone parents have no qualifications³⁴. Lone parents who have been in receipt of income support whilst their children are growing up can be ill-equipped for the transition to jobseeker's allowance and the requirement to actively seek work.

A West of Scotland CAB reports of a lone parent client with one child who had been in receipt of income support. The client's benefit payment stopped and, when she contacted the Jobcentre, she was informed that this was because her child had turned 16 meaning she was no longer entitled to income support. The client stated that she had never been informed of the fact that she would have to claim jobseeker's allowance and be actively seeking work, or claim income support on the grounds of incapacity for work.

68. CAS therefore supports the intention to increase the support available to lone parents to help them think about and prepare for work and move closer to the

³³ Incapacity benefit reforms pilot: Findings from a longitudinal panel of clients, DWP, 2005, research report no 259

³⁴ Incapacity benefits and income support abolished by 2013, press release, One Parent Families Scotland, July 2008

labour market, through skills-related activity and training. However, there is convincing evidence that most lone parents – 90% - *want* to undertake work, at a time that they feel is right for their family³⁵. Consequently, we continue to believe that the support offered to lone parents should be offered on a voluntary rather than mandatory basis.

69. If, however, lone parents are mandated to undertake skills-related activity, it is essential that these activities are flexible enough to meet their needs. For instance, the DWP will need to ensure that training can be completed within school hours if necessary and that financial support is available to those lone parents whose training needs will require them to use childcare facilities.

An East of Scotland CAB reports of a lone parent client living in a rural area, with three children aged seven, five and two. She had just registered as a childminder, but had originally wanted to train as a midwife. However, the course required night shift on-the-job training. She tried to find suitable local childcare, but could not find any that was affordable or any offered after 7pm. Consequently, she was not able to pursue this career option. She still plans to train as a midwife when affordable, accessible and suitable childcare is available.

70. If the DWP does not fulfil its responsibilities in this regard, lone parents could face benefit sanctions for failing to comply with conditionality that has not been designed with their needs in mind. As noted elsewhere in our response, benefit cuts for this group will mean plunging lone parents and their children further into poverty, and run contrary to the UK Government's laudable aim to end child poverty by 2020.

Moving all lone parents to jobseeker's allowance

71. The Green Paper proposes moving *all* lone parents from income support to jobseeker's allowance. Those lone parents with younger children would not be required to look for work or take a job until their youngest child reaches seven. However, the DWP believes that moving all lone parents who can work onto JSA jobseeker's allowance would underline the message that work is the best route for improving prosperity.
72. CAS does not support this proposal. Whilst the Green Paper indicates that lone parents with children under seven would not be required to take part in certain aspects of the jobseeker's allowance regime, it is by no means clear that they would be exempt from all elements of the regime. For instance, they could be required to visit their local Jobcentre Plus office every fortnight to

³⁵ In work – better off: Lone parents and employment conditionality, initial response from One Parent Families | Gingerbread, August 2007

sign on, which could have a significant impact on their time and expenses, particularly in rural parts of Scotland.

73. Overall, we do not believe that the existing jobseeker's allowance scheme is sufficiently flexible to accommodate the diverse needs of lone parents. To cater for this group, the jobseeker's allowance regime will therefore have to be fundamentally changed to a system that runs two-tiers in parallel. We do not understand how this represents a simplification of the benefits system. If anything, having a group of people on jobseeker's allowance who are not actually required to be job seekers would seem to make the system more opaque rather than less so.
74. We also have concerns that moving this group of lone parents onto jobseeker's allowance could place covert pressure on them to seek work before they believe it is right for them and their children. The UK Government has repeatedly said that parents must be allowed to make the choice to return to work at a time that is right for them. Indeed, as Ed Balls told the Daycare Trust conference in June 2007, "Staying at home or returning to work must be a choice for parents, and our role is to make that a real choice – to make both staying at home and returning to work practical and realistic, so that parents can do what is best for them and their children"³⁶.
75. Finally, if the DWP's rationale for implementing this policy is that work is the best way for lone parents to improve their family's prosperity, then they must be able to provide clear evidence that this is in fact the case. In fact, in-work poverty is a significant problem for lone parents. Many lone parents who have moved into work remain in poverty (16% of those in full-time work, and 33% of those in part-time work), and 23% of children living with a lone parent who works are still poor³⁷. The Green Paper contains very few proposals for tackling the significant challenge of in-work poverty.

A West of Scotland CAB reports of a lone parent with two children aged 10 and 14 who approached the CAB for help with rent arrears. She works 20 hours a week and is in receipt of tax credits but, once she has paid her priority debts, she is left with a surplus of only £4.86. Despite working, she is struggling to make ends meet and cannot afford to treat her children to holidays or even a night out at the cinema. She cannot increase her hours at work as she has no-one to care for the children after school or during the school holidays.

³⁶ Ed Balls, speech to the Daycare Trust, 17 June 2007

³⁷ Incapacity benefits and income support abolished by 2013, press release, One Parent Families Scotland, July 2008

An East of Scotland CAB reports of a lone parent client in part-time employment. She had done some calculations, and came to the bureau to see if they were correct. She was upset as to realise that she had almost exactly the same amount of disposable income working for 16 hours per week as she would just claiming benefits. The CAB adviser suggested the possibility of trying to work more hours, but she did not feel this was possible with her caring responsibilities.

Improving access to full-time training

76. We welcome the UK Government's review of the 16-hour-rule, which states that in most circumstances people claiming jobseeker's allowance are not entitled to study for more than 16 hours per week. Changes that will be introduced to the rule this year mean that it will no longer pose such a significant barrier to people undertaking full-time employment-related training.

A West of Scotland CAB reports of a client who had accrued council tax debts and was seeking advice. The debts had arisen when the client's jobseeker's allowance had been cancelled while she was undertaking a training course as it involved training for more than 16 hours a week.

77. CAS is concerned, however, that the time limit of eight weeks might not allow sufficient time to undertake courses that will have a real value in terms of leading to a recognised qualification and improving job readiness. We would welcome a provision whereby the eight-week limit could be extended to allow the completion of relevant training.

Engaging with employers

78. As noted in our previous consultation responses on welfare reform³⁸, the policies being developed by the DWP seem to focus almost exclusively on the responsibilities of claimants, without commensurate attention being paid to the reciprocal responsibilities of government, employers and externally contracted providers. We are disappointed to note this trend is continuing in the current Green Paper, with the section in this chapter on engaging with employers extending to only half a page. In addition, rather than proposing any new initiatives, the section merely reiterates existing policies, such as Local Employment Partnerships. If the UK Government is to achieve its aims of

³⁸ A new deal for welfare: Empowering people to work, A response from Citizens Advice Scotland, April 2006 and In work, better off: Next steps to full employment, A response from Citizens Advice Scotland, October 2007

increasing employment amongst marginalised groups, it must focus on the responsibilities of *all* the groups involved in the 'employment jigsaw'.

79. The long-term unemployed, people with drug addictions, lone parents, people over the age of 50 and people who are sick or disabled often face multiple and complex barriers to finding and sustaining employment. For instance, 71% of lone parents not in work cite not being able to find a job that fits flexibly round their family needs as a significant barrier to work³⁹.

A North of Scotland CAB reports of a lone parent client who was currently on maternity leave, due to return to work after having her second child. Before going on maternity leave, the client wrote to her employer asking for her working hours to be reduced from 25 to 15 hours per week. Her manager said that this was not possible and that if she did not do 20 hours she would not have a job. The client is very concerned because, due to child care arrangements, it is impossible for her to do 20 hours.

A West of Scotland CAB reports of a lone parent client in part-time employment, who has recently returned to work after being on maternity leave. Her child was being looked after by her mother when she was working but hours have now been changed to no set rota and, as a result, her mother cannot look after the baby and the client cannot work the hours allocated.

80. Furthermore, one of the biggest barriers that needs to be addressed is the entrenched labour market discrimination that means that many employers remain resistant to hiring people from precisely these groups. As we noted in our 2007 response, "Recent research by the DWP found that whilst most employers had taken steps to eliminate formal age discrimination, this has not led to increased recruitment of older people⁴⁰. Research by the Disability Rights Commission has shown that 38% of employers would not employ anyone with a history of mental health problems. We also note research from the Chartered Institute of Personnel and Development which found that 33% of employers would deliberately exclude people with a history of long-term sickness or incapacity when recruiting staff. Additionally, just under half of the employers surveyed thought that long-term incapacity benefit claimants would be less reliable and less productive and almost one fifth thought they would produce a lower standard of work than other workers⁴¹. A recent review established that three groups faced particularly extreme discrimination:

³⁹ Incapacity benefits and income support abolished by 2013, press release, One Parent Families Scotland, July 2008

⁴⁰ Employer responses to an aging workforce: A qualitative study, DWP, September 2007

⁴¹ Incapacity benefit reform: Why it is needed and how to engage employers, Chartered Institute of Personnel and Development, 2006

women with young children, people with disabilities and Pakistani and Bangladeshi women⁴²”

81. Case evidence from Scottish bureaux shows that discrimination in the workplace continues to be a problem for some of our clients. In fact, in 2007/08 there was a 10.5% increase in the number of enquiries brought to bureaux about discrimination and intimidation at work, compared with the previous year.

A North of Scotland CAB reports of a client who has worked for her employer for just over a year, at 30 hours per week. She is three months pregnant and had been signed off sick for two weeks. When she returned to work, she was told that the rota had been done for the next two weeks and her hours had been reduced to 11, with her extra hours divided up amongst the rest of the staff. AS the client has no contract of employment, the bureau advised her to write to employer stating that she objects to the changes in her hours and wishes to maintain her 30 hrs per week. If she feels she is being discriminated against because of her pregnancy, she can raise a grievance and ultimately proceed to an employment tribunal.

A North of Scotland CAB reports of a client who came in on behalf of her daughter who is 16 and working part time in a local hotel. She wanted to know what the minimum wage was, and also if her disability would affect her statutory rights, as another girl who was doing the same job was being paid more.

A North of Scotland CAB reports of a client who has friends from Portugal and Italy who are working for the same employer as her. She is concerned about racial discrimination, as different groups are being treated differently in terms of working hours and pay.

82. In light of this evidence, it is very disappointing that the Green Paper contains no proposals designed to tackle workplace discrimination. There is a need to focus much more explicitly on changing both employers’ attitudes and practices if the UK Government is to achieve its 80% employment aspiration. This will require working with employers to overcome barriers, as well as more robust enforcement of existing anti-discrimination legislation. If this does not happen, no matter how much some people want to find employment and no matter how much mandatory work-related activity they are obliged to undertake, in many cases the jobs will simply not be there for them.

⁴² In work, better off: Next steps to full employment, Response by the Social Security Advisory Committee, October 2007

Volunteering and developing skills for work

83. The Scottish CAB service could not exist without volunteers. Nearly three-quarters (73%) of staff in bureaux across Scotland are trained volunteers, delivering a service tailored to the needs of their local communities⁴³. Volunteering is a powerful means of equipping people with skills and confidence that make it a useful intermediary step on the route back to paid employment – indeed, of the volunteers leaving the CAB Service in 2006/07, over a third (36%) went on to further education and employment⁴⁴. Consequently, we welcome the section in the Green Paper on encouraging volunteering, and the place it can play in helping people move closer to the labour market.
84. However, we would welcome recognition that volunteering can be a highly valuable end in itself and not just as a step on the road to employment. We are concerned that the UK Government is myopically focused on the value of paid work to society, to the detriment of all other forms of contribution. Such an agenda risks marginalising and stigmatising those people for whom paid employment is not currently, and might never be, a realistic option. As Ecas, an Edinburgh based charity representing the needs of disabled people comments in its response to the Green Paper, “For some people with disabilities, part-time volunteering is a very sensible alternative to paid work which is good for their self-esteem and health, as well as helping the community. For some it may lead on to paid employment, but that should be seen as a bonus, not a required result. We do not believe that people in this position are receiving benefits without making a contribution”⁴⁵.

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

85. Some CAB clients are put off volunteering because they worry about the impact that it might have on their benefits. There are misconceptions surrounding this issue, with some people believing that starting to volunteer will automatically trigger an investigation into their existing incapacity benefit or disability living allowance claims. Clearer communication from DWP, and better training of staff to provide informed and accurate advice on volunteering, could help counter this problem.

An East of Scotland CAB reports of a client in receipt of incapacity benefit and disability living allowance. She had been sent a letter stating that her disability living allowance is under investigation. No reason was stated for this, but the client believed it might be because of an unpaid voluntary position she had recently taken up. The CAB adviser assured her that this voluntary work should not have an impact on her benefits.

⁴³ Bureau Characteristics Survey 2006-07, Citizens Advice Scotland

⁴⁴ *ibid*

⁴⁵ Response to No one written off: Reforming welfare to reward responsibility, Ecas, October 2008

Chapter 3: No one written off

86. This chapter focuses on disabled people, aiming to complete the transformation processes started by the reform of incapacity benefits, so that nobody who is disabled or who has a long-term health problem is abandoned to a life on benefits.

The Work Capability Assessment and ESA as a temporary benefit for the majority

87. The Work Capability Assessment (WCA) is the gateway to employment support allowance (ESA) and comes into force from October this year for all new ESA applicants. The Green Paper states that there is “strong evidence that the old system – the Personal Capability assessment – was identifying too many people as incapable of work who, with the right support, would be able to work”⁴⁶. We think it worth reminding the DWP that in its 2006 Green Paper, *A new deal for welfare: Empowering people to work*, it acknowledged that the existing Personal Capability Assessment (PCA) process was already recognised by the OECD as being one of the toughest in the world⁴⁷. We are therefore concerned that an already tough test has been made tougher, and that many of the 60,000 more people that the UK Government estimates will fail the new assessment will not actually be able to comply with the conditionality and sanctions regime of jobseeker’s allowance.
88. Between 2009 and 2013, the DWP intends to re-assess all existing incapacity benefit claimants using the WCA, instead of the old PCA which was the traditional gateway to incapacity benefit. It also proposes to introduce repeat assessments at more frequent intervals.
89. CAS is concerned about these proposals, in light of the ongoing problems relating to the standard of decision-making for incapacity benefits. Client case evidence clearly demonstrates procedural problems with the existing system of medical assessments.

A West of Scotland CAB reports of a client who underwent a medical examination for incapacity benefit. His mental health was not addressed, there was no discussion of the tiredness and lethargy that were affecting him and the examination only lasted 20 minutes.

⁴⁶ No one written off: Reforming welfare to reward responsibility, DWP, July 2008, p69

⁴⁷ Transforming disability into ability: Policies to promote work and income security for disabled people, Organisation for Economic Co-operation and Development, 2003 – cited in *New deal for welfare*, para 62

An East of Scotland CAB reports of a client who is not a fluent English speaker, who came to the CAB for help completing an incapacity benefit application form. The CAB assisted him, and requested that a Mandarin translator should be present if the client needed a medical. The client was called for a PCA, but no translator was present. The Examining Medical Practitioner said he could understand the client and language would not be a problem. The medical went ahead, despite the obvious communication barriers, and the client failed to reach the necessary 15 points.

An East of Scotland CAB reports of a client who was informed by phone on a Sunday that she should attend Dundee for an incapacity benefit medical that Thursday. She advised the caller that she was unable to travel that distance because of her disability and requested a home visit, which was refused. The following day the client phoned Argyll House in Edinburgh to discuss the matter, to be told that she must wait for written confirmation. This arrived on the Wednesday, whereupon she phoned again to request a home visit or even a local venue for her medical. She was rudely informed that she knew she had the Thursday appointment and should have phoned sooner. She was given no advice about what to do given her inability to travel to Dundee.

90. There is also ample client case evidence of poor decision-making in relation to incapacity benefit claims, with decisions being overturned at appeal after the clients' cases receive significantly different assessments by the tribunal panel.

A West of Scotland CAB reports of a client who was taken off incapacity benefit following a medical at which he was awarded only one point. He suffers from schizophrenia, paranoid delusions and back pain. As he was not fit to work, his mother had to support him, and they were both greatly distressed by the situation. The CAB supported the client in appealing the decision – he was awarded 15 points for a combination of physical and mental descriptors and his incapacity benefit was reinstated.

A West of Scotland CAB reports of a client who suffers from depression, anxiety, angina, rheumatoid arthritis, panic attacks, hypertension and high cholesterol. He failed an incapacity benefit medical. He decided to appeal and was placed on a reduced rate of income support. He had virtually no money to live on, and his depression and anxiety worsened to such an extent that he tried to commit suicide. The client's appeal was successful, and his incapacity benefit was reinstated.

A West of Scotland CAB reports of a client who had been receiving incapacity benefit for four years due to severe damage to her neck, osteoarthritis in her hands and wrists as well as other physical and emotional problems. After a medical examination the benefit was withdrawn as she was deemed fit to work. The CAB tribunal representative took up the case and prepared a submission raising nine points of objection to the personal capability assessment. The chairman of the tribunal read the accompanying letter from the client's G.P. and the submission from the CAB and granted the appeal in favour of the client. This took two minutes, with the chairman adding that the case should never have reached this stage. He could not understand why the DWP's reconsideration of the case had failed to pick up the injustice of the decision. The client is now receiving incapacity benefit once again and awaiting back payment of 39 weeks' money of approximately £4,000.

91. Although many claimants do eventually get the money to which they are entitled by pursuing an appeal, it is time consuming and stressful and some clients simply cannot face going through the process. Delays with the appeals process can also result in financial hardship.

A West of Scotland CAB reports of a client in receipt of incapacity benefit who failed a medical, at which he was awarded zero points. He appealed the decision, and was awarded 20 points. However, the client and his wife were greatly distressed by the process and suffered eight months of worry, struggle and financial hardship due to the time spent awaiting an appeal.

A West of Scotland CAB reports of a client who is struggling with his financial situation. He was taken off incapacity benefit following a failed medical, which he is appealing. Consequently, the client has to survive on a reduced rate of income support - £48.40 per week. As a result of this, he has fallen into arrears in his gas, electricity and council tax. The hardship is being exacerbated by the length of time his appeal is taking to progress. The bureau notes that the client is very much isolated due to his mental health problems. The current situation is making him feel trapped, causing additional strain on his mental health.

A West of Scotland CAB reports of a client who had won an appeal against a failed medical for incapacity benefit. Shortly afterwards, she had another medical, and was once again told she had failed having been awarded only three points. No mention was made in the report about her epilepsy. The client had no option but to appeal again, but was very frustrated given that the previous appeal had taken 18 months to conclude.

92. Our evidence is supported by the findings of the President of Appeal Tribunals most recent report, which concludes that, “there is little evidence of significant change over time in standards of administrative decision-making, as gauged by the cases coming before tribunals”⁴⁸. The report goes on to identify those features of the decision-making process involving medical evidence that most frequently led to incapacity benefit cases being overturned at tribunal, including: the production of new evidence, under-estimation of the severity of disability and the inability of the system to deal adequately with mental health issues. Criticisms were levied at ATOS Healthcare medical practitioners for producing inconsistent findings in medical reports based on inconsistent observations and recording contradictory findings, and at DWP decision-makers for placing more weight on the medical report than on other evidence without justifying why. Overall, both DWP decision-makers and ATOS medical practitioners showed a greater propensity to discount the information provided by the appellant than compared with other benefits⁴⁹.
93. All of these issues – poor procedural processes, poor decision-making and delays in the appeals process – are particularly concerning given the proposals in the Green Paper to re-assess all existing incapacity benefit claimants using the WCA instead of the old PCA and to re-assess claimants at more frequent intervals. CAS therefore calls again for far more recognition of the current problems with decision-making and their impact on clients, as well as an overt commitment from the DWP to improving the quality of its decision-making.

⁴⁸ Report by the President of Appeal Tribunals on the standards of decision making by the secretary of state, 2007-2008

⁴⁹ *ibid*

Question 14: Do you agree that the WCA and WFHRA should be re-focused to increase work-related support?

94. CAS welcomes the UK Government's commitment to identifying what an individual can do, as opposed to what they cannot. However, if they are to be able to fulfil their abilities, it is essential that they are given the right support. We therefore welcome the work-related support offered as part of the WCA and WFHRA, but would caution that this must not be offered at the expense of other support that an individual might need, such as condition management.
95. We have concerns that much of the WCA and WFHRA work-related support described in the Green Paper will be provided by health or medical professionals. CAS is not convinced that they will have the necessary knowledge or experience of employment issues to be able to offer meaningful support in this area. We therefore seek clarification from the DWP regarding the evidence it has used to determine that the quality of support that will be offered via these mechanisms will be of a suitably high and consistent standard.
96. We would also contend that, if people who are sick or disabled are to make the transition from being theoretically capable of work to actually being in work, it is not sufficient to identify the support or assistance required to help them with this transition – it must also be readily available. As Ecas notes in its Green Paper response, "There is a real danger that the WCA declares a disabled individual as capable of working *with assistance*...However, if the assistance is unavailable this assessment might be wholly unfair. What is required is an accurate and fair assessment of the opportunities available, taking into account any adaptive requirements"⁵⁰.

Higher expectations: increasing the requirement for back to work activity

Question 15: What expectations should there be of people undertaking the personalised support we will now be offering in the Work Related Activity Group? Could this include job search?

97. CAS strongly believes that the level of conditionality for the work related activity group of ESA should not be increased to include job search activity. Compelling people who are sick or disabled to seek employment before they are ready – through conditionality or sanctions – will not help them to find suitable and sustainable employment. As noted earlier in paragraph 64, in some cases, it could actually be counter-productive, worsening health and delaying a successful long-term move into work.
98. ESA has not yet been brought into force. We are therefore surprised that the DWP is already proposing to ramp up the level of conditionality attached to the

⁵⁰ Response to No one written off: Reforming welfare to reward responsibility, Ecas, October 2008

benefit, without access to any evaluation of the system as it currently stands. In particular, before the responsibilities of claimants are further increased, we would like to see evidence that the DWP is fulfilling its responsibilities through the provision of exemplary support services. There is a significant difference between mandating engagement and mandating activity, and we would urge the DWP to recognise this and proceed down this route with caution.

Increased support from Access to Work

99. CAS welcomes the proposal in the Green Paper to double the Access to Work budget, with the DWP estimating that this increase should enable the scheme to help approximately 48,000 people by 2013-14. However, there are 6.9 million disabled people of working age in the UK – meaning that, even if the Access to Work scheme hits its target, it will still only be assisting 0.7% of disabled people of working age. So, whilst the increase in the Access to Work budget is welcome, it is clearly not the panacea that is suggested in the Green Paper. Vastly increased funding and new policy proposals are both required if the UK Government is to reach its target of moving one million people off incapacity benefit and into employment.
100. In addition, Access to Work is not well-known, with RADAR estimating that only 25% of UK employers are aware that funding is available through the scheme⁵¹. Users of the scheme also report difficulties in accessing it and delays in receiving funding. We therefore welcome the acknowledgement in the Green Paper that there is room to improve the way that Access to Work is delivered, and look forward to hearing how the DWP plans to act on the findings of an independent review of the scheme, which is due to report shortly.
101. The Access to Work scheme plays a vital role in providing support to employers to help them make the necessary workplace adaptations to retain employees who become sick or disabled. However, as the case evidence utilised at paragraph 81 demonstrates, much more still needs to be done in terms of changing discriminatory cultures and practices in the workplace, before schemes such as Access to Work can be effective.

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

102. To date, Government schemes designed to support people who are sick or disabled back into employment have tended to work better for people who require a 'technical fix', such as specialised software, whilst largely neglecting the needs of people with fluctuating and mental health problems⁵². Often these groups have very low employment rates – indeed, approximately 40% of

⁵¹ RADAR cautiously welcomes Welfare Green Paper, press release, RADAR, July 2008

⁵² *ibid*

people claiming incapacity benefits do so on the grounds of a mental health condition.

103. CAS therefore welcomes the DWP's desire to make Access to Work more responsive to the needs of people with fluctuating conditions, including mental health conditions. Achieving this aim will require significant investment in skilled and highly trained Access to Work staff, who can provide flexible, face-to-face support in a timely and responsive fashion. Increasing awareness amongst employers of the scheme's expanded remit will also be key to its success, as it cannot be used by people who do not know it exists.

Keeping people in work

104. We welcome the section in the Green Paper on 'keeping people in work'. As we noted in our 2006 response, "If the government is going to achieve its aim of securing one million people off incapacity benefits over the next ten years, then it must address the issue of claimants moving from work onto incapacity benefits as well as those moving in the opposite direction"⁵³. The proposals in the Green Paper in this area offer some initial responses to Dame Carol Black's report to the UK Government on *Working for a healthier tomorrow*⁵⁴. They are intended only to indicate the UK Government's 'direction of travel' and, consequently, we are unable to comment in detail at this stage. However, we look forward to the UK Government's formal response to the report's recommendations later this year.
105. In particular, we welcome the commitments to improving employment retention and improving support for people with mental health conditions. When employees do go off sick, early and effective intervention by employers can play a vital role in ensuring that they retain their jobs and return to the workplace as soon as they are able. A 2005 Scottish Executive report into advising disadvantaged groups as they make the transition to employment found that "moving out of employment was related most often to health or disability issues, including employer's behaviour and/or their inability to redeploy"⁵⁵. Employers must therefore be more strongly encouraged to provide appropriate work environments that prevent people having to give up work when they become sick or disabled. For instance, employees could be encouraged to start work on a modified basis that supports their needs. CAS welcomes this, as client evidence indicates that people do lose their jobs when they become sick or disabled because employers do not consider it beneficial to try to retain these employees.

⁵³ A new deal for welfare: Empowering people to work, A response from Citizens Advice Scotland, April 2006, p13

⁵⁴ Working for a healthier tomorrow, Dame Carol Black, TSO, March 2008

⁵⁵ Transitions to employment: Advising disadvantaged groups, Scottish Executive Social Research, Research Findings no 30/2005

An East of Scotland CAB reports of a client who developed psoriatic arthritis. He was signed off for two weeks, at which point his doctor said he was fit to return to work. However, his employer insisted that he had to be fit for full duties even though there were plenty lighter duties for him to do. They have not allowed him to return to work since then, and have failed to implement the report from their own doctor which recommended a trial phased return to work. The CAB has supported the client through an employment tribunal, claiming nearly £10,500 on the grounds of disability discrimination.

106. We also note, once again, the seeming imbalance in the distribution of responsibilities between individuals and employers. Whilst individuals *must* comply with a benefit conditionality regime or face sanctions, the Green Paper talks about identifying ‘incentives for employers’ that *might* encourage them to invest in health and well-being programmes. Benefit claimants are punished if they do not fulfil their responsibilities, whilst employers are rewarded for fulfilling theirs. This skewed allocation of rights and responsibilities runs through much of the Green Paper, and must be addressed to make possible fair and transparent ‘contracts’ between individuals, their employers and the state.

Chapter 4: Ending child poverty

107. This chapter focuses on the 'social, economic and moral imperative' of ending child poverty, and we welcome the reiteration of the UK Government's aim to achieve this goal by 2020.
108. However, we are concerned that some of the proposals in the Green Paper run counter to this aim, and are likely to have the effect of increasing child poverty. In particular, as noted elsewhere in our response, we are particularly concerned about the impact of benefit sanctions on families with children. DWP research shows that lone parents primarily report the financial implications of receiving a reduced level of benefit as the major practical impact of being sanctioned⁵⁶. A number of claimants reported that they had already been struggling financially when they were in receipt of full benefit, and their reduced income made it even harder to meet basic financial obligations such as rent and bills. Some parents also commented that the sanction meant that they were unable to pay for their children to attend school trips or give them pocket money.
109. Furthermore, CAS research into Scottish debt clients found that a fifth of debt clients are lone parents, making them the second largest group (after single adults) of CAB debt client in terms of household composition⁵⁷. Security of income is absolutely critical for lone parents, and we are therefore very concerned about a sanction regime which exacerbates their financial insecurity, particularly when the impact of the hardship is felt by the children.

A full child maintenance disregard

110. CAS welcomes the announcement in the Green Paper to disregard child maintenance fully in all out-of-work benefits from April 2010, which will be a significant help in tackling child poverty. One Parent Families estimates that it will lift 30,000 children in one parent families out of poverty⁵⁸, and should act as a spur to more non-resident parents to pay child maintenance, as the money will go straight to their children. We also welcome the simplification to the benefits system, which will be easier to understand and implement than the current system of partial disregards.

⁵⁶ Sanctions: Qualitative summary report on lone parent customers, DWP, Working Paper no 27, 2006

⁵⁷ On the cards: The debt crisis facing Scottish CAB clients, Citizens Advice Scotland, February 2004

⁵⁸ One Parent Families | Gingerbread helps parents on benefit keep their child maintenance, press release, One Parent Families | Gingerbread, 22 July 2008

Work is the best route out of poverty

111. One of the key policy drivers behind welfare reform proposals designed to end child poverty is the UK Government's belief that work is the best route out of poverty. However, the number of poor children living in working households is actually rising. Indeed, half of all poor children now live in a working household, up from 40% ten years ago⁵⁹. Over the same time, the number of poor children living in workless households has fallen by 600,000⁶⁰. Among lone parents, those working full-time face three times the risk of poverty as two-earner households⁶¹.
112. Clearly, whilst work *can* provide an effective route out of poverty, it is not a guaranteed route. Our case evidence bears this out, as presented earlier in paragraph 75, demonstrating that for some CAB clients, employment actually offers a route into in-work poverty. If further progress is to be made towards the 2020 goal of eradicating child poverty, significantly more needs to be done to address the growing problem of in-work poverty.

⁵⁹ Working out of poverty: A study of the low-paid and the 'working poor', IPPR, January 2008

⁶⁰ *ibid*

⁶¹ *ibid*

Chapter 5: Delivering choice and control for disabled people

113. This chapter proposes a number of changes designed to give disabled people greater choice and control over their lives, underpinned by the UK Government's commitment that by 2025, "disabled people will be respected and included as equal members of society with full opportunities to fulfil their potential".

A new right to control for disabled people

114. CAS welcomes the assertion in the Green Paper that disabled people should be provided with the support they need to live independently and to take control of their own lives.

115. We support in principle the idea of individual budgets, which allow disabled people the autonomy and flexibility to make decisions about their own lives. However, the proposals in the Green Paper are at a very preliminary stage, and contain scant detail about how such a scheme might work in practice. Consequently, CAS is unable to comment in depth about whether the UK Government's proposals will indeed bring to disabled people the genuine benefits that they purport to.

116. The lack of detail is exacerbated by the fact that the Green Paper does not even acknowledge that policies relating to social care are devolved to the Scottish Government, let alone acknowledge how the proposals might operate in a devolved context. We therefore look forward to the UK Government clarifying what work it has undertaken, or intends to undertake, in relation to this issue.

117. We note that the Green Paper states that, "People should have access to advice and, where possible, be sign-posted to advocacy services if they need support to decide how best to use the resources available to them"⁶². We welcome the recognition that many disabled people will require additional support if individual budgets are rolled out, and the valuable role that advice and advocacy services can play in supporting them. However, we would also ask the UK Government to recognise the additional strain that this will place on the already limited resources of organisations like Citizens Advice Bureaux, and consider additional funding to provide for the additional need.

⁶² No one written off: Reforming welfare to reward responsibility, DWP, July 2008, para 5.11

Chapter 6: Simplifying and streamlining the benefit system

118. This chapter focuses on policy proposals intended to simplify the benefits system. CAS has long argued that the current system is too complex, making it difficult to understand and utilise for claimants, their intermediaries and DWP staff. We therefore support the concept of simplifying the current system. However, we are concerned that many of the specific proposals in this chapter will not ultimately deliver the simplification that they are advertised as doing so.

Carers on income support

Question 23: Would moving carers currently on IS onto JSA be a suitable way of helping them to access the support available to help combine caring with paid work or preparing for paid work?

119. As noted in our comments on chapter two, CAS does not believe that lone parents should be moved to jobseeker's allowance or that doing so would represent a simplification to the benefits system. We have similar reservations about the proposals to move carers currently on income support onto jobseeker's allowance, without requiring them to comply with the conditionality regime. Specifically, we do not understand how creating a two-tier system within jobseeker's allowance represents simplification of the system. If anything, it creates further obfuscation, as jobseeker's allowance would no longer be a benefit designed specifically for people seeking jobs.
120. We also have concerns that, even if carers were not explicitly obliged to undertake work-related activity, the very fact that they were in receipt of jobseeker's allowance might place covert pressure on them to seek employment, even if they did not feel able to combine work with their caring responsibilities. Carers fulfil a very valuable social and economic role in society – there are 480,000 unpaid carers in Scotland, more than Scotland's total paid care workforce. Of these, 115,000 care full time, without pay, for over 50 hours a week⁶³. Moving carers onto jobseeker's allowance seems to negate the value of this role, implying that the only contribution that is of real value to society is being in paid employment.
121. However, many carers do wish to combine their caring responsibilities with paid work. Indeed, nearly half of working age carers say they want to work⁶⁴. Consequently, measures to ensure that carers can remain in or re-enter work should form a key priority for this group, such as tailored employment and benefits support that recognises their very distinct needs.

⁶³ The 2007 spending review: How to make it work for carers, Carers Scotland, 2007

⁶⁴ Carers Scotland response to the Scottish Government discussion paper on tackling poverty, inequality and deprivation, Carers Scotland, June 2007

A West of Scotland CAB reports of a client who had been in receipt of carer's allowance for her son, until six months previously when she had resumed work. However, due to her own ill health, she had to give up work again after two months, and reclaimed carer's allowance. After some months, her carer's allowance was awarded but she is still waiting to get the carer premium paid and is consequently struggling to make ends meet. The chopping and changing of the benefit amounts is confusing her and she cannot budget accordingly. The process of reclaiming has taken so long and caused the client so much stress that it is making her health condition worse. The client has said that, as a result of her experiences, she would be reluctant to try working again.

122. Good employers are also a critical piece of the equation, with one in three carers currently saying they cannot work without a supportive employer⁶⁵. Consequently, we would welcome detail from the UK Government on how it intends to ensure that employers are accountable within the rights and responsibilities agenda.
123. Once again, the Green Paper also fails to take note of the devolved policy context. It refers to the recent Carers' Strategy⁶⁶, but none of the funding announced in the strategy applies to Scotland. In addition, the relationship between the Scottish Government and local authorities has recently changed as part of a new concordat. This will mean new opportunities and new challenges for Scottish carers, and it is disappointing that the Green Paper neither acknowledges nor addresses this.

⁶⁵ *ibid*

⁶⁶ Carers at the heart of 21st century families and communities, Department of Health, 2008

Chapter 7: Empowerment and devolution – a new way of delivering our services

124. This chapter focuses on proposals to devolve increasing power to individual customers, local partnerships and providers.

The ‘Right to Bid’ – Providers driving innovation

125. As noted in our previous welfare reform responses, CAS has concerns about the increasing involvement of private and voluntary service providers in welfare reform. We do not believe that private and voluntary providers should be delivering these state functions – in the case of private providers, because a profit-driven market model is incompatible with the delivery of social support, and in the case of the voluntary sector because it could compromise organisations’ independence or *perceived* independence from government. We therefore do not support the proposal in the Green Paper to introduce a ‘right to bid’, which essentially widens the range of public sector services for which providers can bid.

126. CAS does not believe that increasing contracting out services to private and third sector providers will necessarily lead to improvements in the range and quality of services available to claimants. The Green Paper itself acknowledges that, “Jobcentre Plus has won international acclaim for its success in delivering cutting-edge services to thousands of customers every week”⁶⁷, and the Freud report itself states quite clearly that, “there is no conclusive evidence that the private sector outperforms the public sector on current programmes”⁶⁸.

127. As we noted in our 2007 welfare reform response, Steve Davies from Cardiff University comments that most of the claims made for the superiority of non-state over state provision are “open to question” and concludes, “Whenever Jobcentre Plus staff have been allowed the same flexibilities and funding as private sector companies or charitable organisations they have been able to compete with, if not surpass, the performance of contractors”⁶⁹. We also noted a review of the Action Teams for Jobs initiative which found that those teams run by a private sector lead met only 78% of job entry targets in the period under study, compared with Jobcentre plus lead teams which met 145% of their job entry targets. Compared with Jobcentre Plus, the private teams were also more likely to work with clients who had only been out of work for a short time, and those without multiple disadvantage⁷⁰.

128. We also believe that contracting out of services will result in fewer checks and balances for clients. Additionally, layers of complexity are being added to the system – with contractors and sub-contractors – that will make it harder to

⁶⁷ No one written off: Reforming welfare to reward responsibility, DWP, July 2008, para 7.11

⁶⁸ Reducing dependency, increasing opportunity: Options for the future of welfare to work – An independent report to the Department for Work and Pensions by David Freud, 2007, p6

⁶⁹ Third sector provision of employment-related services: A report for the Public and Commercial Services Union (PCS), Steve Davies, Cardiff School of Social Sciences, June 2006

⁷⁰ Reducing poverty, increasing support: The TUC response to the Freud report, para 4.14

navigate and cloud the lines of responsibility and accountability. It is therefore imperative that there are clear and accessible mechanisms for challenge and redress when things do go wrong.

129. We continue to have concerns about the fact that contracts are to be outcome-based, with providers being paid by results. Firstly, we believe this will encourage a 'work first' approach that sees clients moved into unsuitable and unsustainable jobs. Secondly, we are concerned that providers will 'cherry-pick' those clients who are closest to the labour market, and ignore those with multiple disadvantage who do not represent value for money. In effect this will lead to less support for the very people that potentially require it most. In its assessment of the Flexible New Deal, the Social Market Foundation comes to a similar conclusion, highlighting the fact that because contractors will be paid a uniform amount for each person they place in employment, this could lead to harder to help jobseekers being 'parked', as they will cost more, but not bring in any more money⁷¹. This is particularly troubling in the context of a punitive conditionality/sanctions regime, in which hard to help clients 'parked' on the Flexible New Deal could then be required to work for their benefits.

Devolving power to deliver local flexibility

130. CAS is concerned that devolution of control over the welfare and employment systems will result in service provision that varies significantly in quantity and quality. It is therefore imperative that providers' performance is monitored and managed and that there are clear procedures in place for addressing poor performance.
131. It is also essential that the proposals for devolution of power take proper account of the different arrangements for local government in Scotland – such as the 'concordat' between the Scottish Government and local authorities – as this has important implications for the delivery of local services.

⁷¹ Flexible New Deal: Making it work, Social Market Foundation, September 2008

Citizens Advice Scotland and its member bureaux form Scotland's largest independent advice network. CAB advice services are delivered using service points throughout Scotland, from the islands to city centres.

The CAB service aims:

to ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities, or of the services available to them, or through an inability to express their need effectively

and equally

to exercise a responsible influence on the development of social policies and services, both locally and nationally.

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