

Separating employment support from benefit category

Geoff Fimister

Version 2 (as at 12/8/22)

[Figures and terminology are presented in this paper as per Universal Credit, but NB that there are analogous issues for “legacy” and contributory benefits].

1. The structural context

1.1 There is a continuum, in terms of disability and health, between the totally fit and – at the other end – people who are very ill or have the most serious disabilities.

1.2 However, the benefit system in effect replaces this continuum with three boxes:

- capable of work
- not capable of work at present, but capable of work-related activity (training, work preparation etc.)
- capable of neither.

1.3 Until April 2017, these three boxes attracted different benefit rates, but the abolition of the middle (Limited Capability for Work (LCW)) amount means that for new claimants there are now just two rates: “Limited Capability for Work-Related Activity” (LCWRA) and the rest. The former is about £80 per week more than the lower rate – a considerable cliff edge.

1.4 But surely, at least claimants who are found to have LCWRA should be secure on the higher rate? Regrettably not, as two problems arise:

- they may be re-assessed, with an unpredictable outcome

- they may, despite substantial health issues or disability, wish to explore work-related activity.

1.5 The criteria pertaining to LCWRA should be sufficiently clear to avoid relegation to the lower rates of benefit, but in practice a very real risk of income loss is associated with the prospect of a new Work Capability Assessment (WCA) even where there are substantial disabilities. Only those sufficiently ill or disabled to be exempt from re-assessment may feel secure in this respect. The public's (including claimants') understanding of the technical issues is not necessarily detailed, but there is a realistic wariness of the possible consequences of engaging in work-related activity.

1.6 Nevertheless, the Department for Work and Pensions (DWP) would like more members of the LCWRA group (and corresponding Employment and Support Allowance Support Group) to engage in work-related activity. This squares with the wish of many people, even with severe disabilities, not to give up forever on the possibility of employment.

1.7 So how to get rid of the “fear factor”?

2. What should happen

2.1 We need an employment support system that is separate from (and perceived by claimants to be separate from) the WCA decision-making process.

2.2 Obviously, as long as the three “boxes” exist, the allocation to one or another via a WCA is unavoidable. And there is a considerable debate concerning the nature of the WCA and how it might be improved and better attuned to the real labour market. For example, many would argue that:

- The current descriptors should be thoroughly reviewed, with the involvement of disabled people and their organisations.
- Consideration of the real-life context of employment prospects should be incorporated into such a review. A more holistic WCA should take into account “real world” factors such as mobility issues, including access to suitable transport; skills gaps; and the actual availability of relevant employment in the local economy.

2.3 Those assigned to the LCWRA box should not be re-assessed without a good, health-related reason. And they should be given the option of a credible, high-quality employment support service that will potentially move them towards work prospects, should they so wish, without jeopardising their income.

2.4 As per existing DBC policy, the LCW group should also be invited to engage voluntarily with employment support services, rather than compulsorily through the threat of sanctions. This would create a much more constructive relationship between these claimants and the DWP. Employment support should sell itself through the quality and successful track record that it will need to acquire.

2.5 There remains the problem of claimants' being wrongly found to be immediately capable of work, which highlights the question of the nature and quality of the WCA.

3. What should this employment support service involve?

3.1 The DBC has not undertaken detailed work on this, but others have¹.

3.2 Clearly, there is much scope for discussion as to detailed design, but the following are likely key features:

- although commissioned by the DWP, a service operating independently (with no feedback to WCAs) and seen as such by claimants, with a strong emphasis on confidentiality (there will be much suspicion to be overcome)
- a service tailored to claimants' individual situations – disability, health condition, educational and employment history, etc.
- the scope of the service to include self-employment
- success (for the LCWRA group) measured in terms of *movement towards* possible employment (unlike the LCW and work-ready groups, where success should be measured also in terms of decent jobs achieved in a fairly short time)
- disabled people's organisations to be centrally involved in the governance – and wherever possible, the delivery – of the service

- preference to be given wherever possible to not-for-profit providers.

3.3 Those claimants who do find employment may:

- find that it lasts
- find that it doesn't last, in which case they should return to their previous benefit status, unless a significant period of time (say, one year) has elapsed, requiring a new WCA
- find that earnings are sufficient to remove ongoing benefit entitlement
- find that earnings are low enough for in-work benefit entitlement.

4. Conclusion

4.1 Much of the above is long-standing DBC policy – such as the need for the WCA to be reviewed and for work-related conditionality not to be applied to disabled people.

4.2 The new points, discussed at the DBC all-Member Meeting of 9/8/22, are:

- whether greater “real world” factors should be incorporated into the WCA; and
- whether there should be an employment support system that is separate from the WCA decision-making process.

4.3 It was agreed on the basis of discussion of the analysis and proposals in this paper that:

- A revised WCA should take into account “real world” factors such as mobility issues, including access to suitable transport; skills gaps; and the actual availability of relevant employment in the local economy.
- An employment support system, separate from the process of allocation to benefit categories, should be created, along the lines indicated above.

Geoff Fimister

Tel. 07743 813740

E-mail gfimister@blueyonder.co.uk
& please copy to gfimister@googlemail.com

Policy Co-Chair,
Disability Benefits Consortium



Notes:

ⁱ See for example **This isn't working: reimagining employment support for people facing complex disadvantage**, Tom Pollard & Pawda Tjoa, New Local, October 2020:
www.newlocal.org.uk/publications/this-isnt-working/

Also, a number of disability organisations have developed their own proposals for employment services for their particular client groups.