



DrugScope comment:

Work Programme pilots aimed for people affected by drug and / or alcohol dependency.

In a [speech](#) at Kids Company on 31st January 2013, the Secretary of State for Work and Pensions announced two pilots to be delivered through the Work Programme, aimed at improving employment outcomes for people with drug and / or alcohol dependency.

The first of these, *Recovery Works*, will be trialled in West Yorkshire and the East of England. It involves providing a stronger financial incentive to encourage Work Programme providers to support individuals who face additional barriers to employment related substance or alcohol dependency into sustained employment. The adjustment will take the form of an additional and substantial payment to be made at the point at which the provider would be eligible for the current job outcome payment, at 6 or sometimes 3 months, depending on the circumstances of the client in question.

The second pilot, *Recovery and Employment*, will run in the West Midlands. This will test whether closer working between the Work Programme and treatment providers can deliver stronger results for people with drug and / or alcohol dependency. This may include making greater utilisation of existing subcontracting arrangements, developing new ones, or closer working on a non-contractual basis, as outlined in the NTA's [Employment and Recovery: A Good Practice Guide](#).

The two measures being piloted are amongst the changes to the Work Programme that DrugScope has consistently called for, including in our recent [submission](#) to the Work and Pensions Select Committee.

We have long been concerned that the Work Programme isn't working for those with histories of substance use, and welcome the willingness of DWP to look at measures that might address this. The incentive structure in which providers receive different payment amounts based almost entirely on benefit type fails to reflect that needs and barriers will vary significantly between individuals on the same benefit, and varying this to reflect an individual's particular circumstances may be a step in the right direction.

Similarly, we have been concerned by the lack of specialist provision within the

Programme. With around 35 subcontracts currently in place, this sector should be a major stakeholder in the Work Programme; our conversations with member agencies suggest that it isn't, even though most agencies have both clients on the Programme and expertise in delivering effective education, training and employment (ETE) programmes of their own. This holds true both for agencies aiming to provide a spot-purchase service and those delivering end to end, although both are facing different sets of difficulties.

However, although the announcement is, as far as it goes, a welcome step, the devil is always in the detail. We've too often seen perverse incentives and unintended consequences, and we will reserve judgement on some aspects of this until we've seen more detail – both about the pilots themselves, and also any guidance that might go to Work Programme providers taking part.

For example, *Recovery Works* is relatively straightforward: an additional payment of £2500 on reaching the job outcome trigger point of 3 or 6 months in work, but could there be unintended consequences? If this additional payment encourages providers to develop or better use their supply chains, or to improve specialist skills and provision within their own workforce, this measure may succeed. If it doesn't, one concern could be that rather than receiving more or more appropriate support, claimants merely have more requirements placed upon them which may only exacerbate any difficulties they have with maintaining compliance with a more demanding approach. Whilst DrugScope is naturally concerned by parking on the Work Programme, one could argue that in the absence of specialist provision, being parked in this way may not be the worst outcome for an individual.

On the other hand, *Recovery and Employment* appears to rely to an extent on strengthening relationships that already exist between organisations but (largely) aren't working; will this improve now that the Department is taking a closer interest, or could this end up as something that providers pay lip service only to? Alternatively, it could end up relying more on making referrals rather than delivering in partnership; this might improve outcomes for individuals, but it might not address problems around shortage of capacity and the arguable inequity of only one party being paid to deliver an outcome several have contributed to.

One problem that appears to be common to both pilots is that of disclosure and identification. Both rely on the Work Programme provider (or Jobcentre Plus) identifying that someone is currently in treatment or has been within the previous 6 months, and we know from experience that this is something that advisers might struggle with and information that individuals might be unlikely to volunteer. At a time when there are a range of different policy initiatives either in hand (such as 'tailored conditionality' under Universal Credit - i.e., flexibility on meeting certain benefit conditions while engaged with treatment) or being discussed both in Parliament and through the media (e.g., payment cards to restrict welfare benefit payment to "essentials"), DWP needs to ensure that it balances incentives

in such a way that it encourages rather than discourages people to be open and frank with their adviser at Jobcentre Plus or the Work Programme. As the Government has acknowledged, stigma experienced by people with drug and alcohol problems can be a barrier to recovery.

Finally, DrugScope has been concerned by the apparent use of sanctions arising from the Work Programme. We acknowledge that DWP believes that sanctions and conditionality are useful motivational tools that reflect the bargain between claimant and DWP. Indeed, both have been, to a greater or lesser extent (but, more recently, greater), a feature of unemployment benefit since its inception in something approaching its modern form before the First World War.

What we have learned about sanctions from discussions with member agencies, however, suggests a worrying picture in which sanctions are not clearly understood by claimant or advisor and are applied inconsistently from case to case. This is of particular concern in an initiative such as the Work Programme, where non-Jobcentre Plus providers have considerable latitude about what is and isn't mandated, and where 'decision makers' seem in some cases to be unsure about whether to uphold a compliance doubt or not.¹

International evidence suggests that whilst conditionality and sanctions can bring about short-term improvements in compliance with benefit requirements, they often fall disproportionately on disadvantaged claimants who are often unable to understand or remember exactly what is expected of them.² We would welcome reassurance that no provider will mandate an individual into treatment, and that providers will receive clearer guidance that reflects the difficulty some customers may have in engaging with potentially intensive and structured activities.

We welcome the pilots – they may address our long-held concerns, but the acid test will be whether the outcomes match the policy intent: a better service leading to fewer sanctions and more people supported towards and into work. We will be watching their progress and their evaluations with interest.

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□ <http://www.york.ac.uk/inst/spru/pubs/pdf/rrep821.pdf> p.87

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□ <http://ssac.independent.gov.uk/pdf/universal-credit-and-conditionality.pdf> p.11