

## **CSAN response to the Work and Pensions Committees**

### **‘Welfare to work’ inquiry**

1. **CSAN** (Caritas Social Action Network), is the social action arm of the Catholic Church. We represent a network of 42 Catholic charities and dioceses throughout England and Wales, many of whom work with the unemployed and provide skills and workplace training. This submission was prepared based on the evidence and expertise of three members who help people, particularly those with multiple barriers and disadvantages, into sustained employment. These members are:

2. **The Cardinal Hume Centre** (London Borough of Westminster), has developed an employment model proven to help those caught in long-term unemployment and short-term contracts into sustainable employment. Clients are offered intensive coaching to improve focus, self-esteem and motivation as well as flexible skills and employability training. The unique combination of personal coaching and established employer links means clients at the Cardinal Hume Centre often secure work that would be hard for them to access on the open market.

3. **Caritas Anchor House** (London Borough of Newham) is a residential and life skills centre for single homeless people. Based in the East End of London, Caritas Anchor House supports over 200 people each year, giving them so much more than just a roof over their heads. Their aim is to address the root causes of homelessness and create sustainable solutions that ensure the people we help will never find themselves in that situation again. The industry average for homeless organisations helping their clients into employment is 10%, Caritas Anchor House have a 37% success rate.

4. **The St Antony’s Centre** (Manchester and the North West) is an accredited training provider committed to providing high quality teaching, learning, support and achievement in the North West and Northern Ireland region. The Centre, with its unique approach, works towards bridging the needs of the community and an individual's entry into economic life. St Antony’s has built strong partnerships with companies, trade unions and the community in the region.

## **Summary of recommendations**

5. The current contracting model of the Work Programme places the emphasis on immediate outcomes rather than on the long-term needs of the individuals. This leads to providers cherry picking Work Programme participants with fewer barriers. Without significant time and investment and a person-centred approach based around the individual, people with multiple barriers will struggle to find and sustain employment. This programme of support can only be successfully executed by trained and experienced staff and organisations who already work directly with the people furthest away from the job market.

6. There is still work to be done in improving the job sustainment rates for those who have overcome disadvantages and barriers, such as homelessness and living with mental health issues. For many, finding a job is just the beginning of the battle; programmes and support mechanisms should therefore be developed to recognise this fact.

## **Recommendations**

- Future commissioning should recognise the necessity of smaller, specialist organisations who work with those furthest from the labour market. This includes recognising the greater cost and input needed to help these individuals on their journey into employment.
- The payment system should be adapted to reflect intermediate outcomes, such as changes in self-esteem, confidence and communications.
- Larger contractors should be made managing agents rather than actual employment service providers; this will allow specialist providers to work with and devise programmes for those with multiple disadvantages rather than them being parked on programmes which are not designed to respond to their needs.
- A pilot could be developed before the next round of contracts in 2017 to demonstrate how the commissioning of local initiatives and organisations working directly with those furthest from the labour market, can facilitate sustained employment outcomes for Work Programme participants.
- Funding structures need to reflect that many individuals are more than 12 months away from entering the job market.
- To help people who recently have found employment sustain employment, transitional payments should be established to enable them to cope with any costs associated with starting a new job.
- Programmes, such as peer-led in-work job clubs as evidenced by the Cardinal Hume Centre below, should be funded to ease the transition into employment.
- Jobcentres should actively seek partnerships with local specialist providers who are helping the harder to reach claimants, such as single homeless people.

## **Supporting people with the most barriers**

7. In the experience of CSAN charities, the Work Programme is effective in securing positive outcomes for participants who have fewer disadvantages but often fails those with multiple issues and barriers preventing them from being ready to enter the labour market.

8. People with multiple disadvantages naturally require greater investment in time and resources to help them on their journey into employment. However the current contracting arrangements does not recognise this, and instead incentivises providers to cherry pick and focus on the easier to help individuals.

9. As a result, the people who present problems and difficulties, especially those with mental health issues or have had a history of homelessness, are effectively parked on programmes not equipped to respond to their needs. Most Work Programme providers, especially the larger ones, are not trained or equipped to work through the issues preventing these people from entering the labour market. In many cases, these individuals have then been referred by Work Programme providers to CSAN charities who receive no funding for their support. This does not provide the participants with the stability and continuity they need and require.

10. Entering into employment is often a high risk transition period for people furthest from the labour market and they therefore need additional support to manage this step in their journey; this is an issue the Work Programme is currently failing to address. Clients supported by CSAN charities can feel very anxious about re-entering a workplace and often lack the support networks to support sustained employment and that is why they need additional support from a structured service.

11. Without significant time and investment and a person-centred approach based around the individual, people with multiple barriers will struggle to find and sustain employment. This programme of support can only be successfully executed by trained and experienced staff and organisations who already work directly with the people furthest away from the job market.

## **Recommendations**

12. Future commissioning of the Work Programme should recognise the importance of including smaller, specialist, and localised organisations who work with those furthest from the labour market. For such specialist providers, greater upfront payments should be provided to enable them to build sustainable infrastructure to support the harder to help individuals on their journey back into employment.

13. There needs to be greater recognition of the input needed to help people facing multiple disadvantages into work in future commissioning of the Work Programme. The payment system should be adapted to reflect intermediate outcomes beyond simply counting the number of events (courses and job searches for example) someone has participated in. This could include changes in self-esteem, confidence and communication skills.

14. There is also a case to be made for primary contract holders transitioning to be managing agents rather than actual employment service providers. These larger contractors would then subcontract to more specialised providers who devise programmes dependant on the needs of the individual, recognising the greater work needed for people with multiple barriers and disadvantages. This would be particularly useful if the payment system is geared not just towards payments for outputs, but also towards the overall proportion

supported into work. Furthermore, this would encourage a culture of cooperation between the larger contractors and specialist providers rather than competition.

15. There is an opportunity before the next round of contracts in 2017 to pilot the commissioning of local initiatives directly and trialling how well organisations, who work directly with those furthest from the labour market, can facilitate sustained employment outcomes for their clients. Such pilots could then inform solutions for national employment programmes post-2017.

16. Many of the people with multiple and complex barriers, such as homeless people, are more than 12 months away from the job market, and the funding structures of employment programmes need to reflect this reality. Therefore, funding should be extended, in some cases, to three years rather than the current restrictive 12 months which is not a sufficient amount of time to help people rebuild their lives.

### **Improving Job sustainment for the long-term unemployed**

17. More work is needed in any future rollout of programmes to improve the job sustainment rate, especially for people who have overcome disadvantages and barriers.

18. For many, getting a job is just the beginning of the battle. People who have experienced traumas, particularly homelessness, need significant support to walk through the complexities of coming off benefits and to help them to manage the financial gap between starting work and getting their first job.

19. Instead of receiving additional support, the current procedures see a harder approach adopted. It is currently common practice that when a jobseeker signs off benefits they may receive very 'hard' letters advising them that their benefits have ceased due to a change in circumstances. Others receive letters demanding any money owed in social loans. This hard approach often has a very negative impact on these vulnerable individuals. In most cases this proves counter-productive and creates further anxieties around employment.

20. The transition into employment can be costly for the individual and can deter people from sustaining employment; the cost of travelling to work before the first months' paycheque is frequently identified as a barrier to sustained employment.

21. There is also a lack of support and preparation for dealing with in-work situations, such as difficult supervisors and colleagues. As many of the people CSAN's organisations work with have been through traumas or have been unemployed for a number of years, they are not initially equipped to confront these issues alone. Without sufficient support, these individuals will struggle to sustain employment.

22. To counter this issue, the Cardinal Hume Centre has developed a peer-led in-work job club, which they fund themselves, to provide clients with practical assistance in the first months of work to help job sustainment. The in-work job club supports those the Cardinal Hume Centre have helped into employment with any challenges they may be facing in the workplace.

23. The in-work job club helps to ease the transition from long-term unemployment to working. The sessions normally involve an informal discussion where people have the opportunity to talk about their work, what they are enjoying and any challenges they might be facing. This is combined with more formal training on things like office politics, email

etiquette and how to 'manage you manager'. This has proved extremely successful and is well received by all those who participate in the club.

24. Developing partnerships between employers, the Jobcentres and centres delivering support for people the furthest from the labour market can also be successful in cementing longer term job sustainment.

25. Caritas Anchor House, to help their clients back into sustainable employment, have developed some key partnerships to increase job seeker support for their clients (single, homeless people) and improve their employability skills. Caritas Anchor House work in partnership with Jobcentre Plus to host Job Coaches on site to enable easy access for clients to seek tailored employment advice and support so that they can make the most of their Universal Jobmatch accounts, discuss their job goals and take steps to achieving their goals. They also work closely with several large UK employers, such as Pret and Freshfields, to design work placement opportunities to enable their clients to participate in valuable work experience and improve their employability. Such placements enable the clients to demonstrate their potential and improve the visibility of their skills when searching for future employment.

### **Recommendations**

26. Transitional payments in the first two months of working should be established to help support people who have just found employment to enable them to cope with any cost associated with finding employment.

27. Programmes, such as peer-led in-work job clubs should be funded to ease the transition into employment. This will have a significant impact on job sustainment rates, especially for formerly long-term unemployed people.

28. Jobcentres should actively seek partnerships with and local specialist providers helping harder to reach people. Such partnerships, in our experience, have proved beneficial not only in securing job sustainment but also in building more positive relationships between Jobcentre staff and claimants.