



For whose benefit?

Conclusions of a Citizens' Jury
on how to make the benefits system,
advice and training services better at helping
people to find and keep a job

Commissioned by the Social Enterprise Zone

by

Dr. Anne Gray
Jury Facilitator

Community Links Evidence Paper No. 3

*Never doubt that a small group of thoughtful, committed citizens can
change the world. Indeed, it is the only thing that ever has.*

Margaret Mead 1901-78

Based in one of the most intense areas of urban deprivation in Europe Community Links is an east London charity founded in 1977 which runs a wide range of projects for children, teenagers, parents, older and disabled people. Last year 27,000 people benefited from Community Links' projects run by over 450 volunteers in 60 key sites.

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The question considered by the Jury:

“For Newham residents seeking work, what changes should be made to the benefits system, advice and training services to make finding and keeping a suitable job easier? How can these changes be tested?”

1- Foreword by David Robinson

“We all need help at sometime in our lives, we all have something to give and those who experience a problem understand it best”. These are the guiding principles of this organisation and why we have established the UK’s first Social Enterprise Zone (SEZ) here in Forest Gate and Plaistow in Newham, East London.

The aims are simple: To give people who live and work here a way of expressing their visions for how public money can be spent more effectively; To enable those visions to be presented to government as proposals for change; and to work together on testing those ideas. The SEZ was launched in January 2000, and has already gathered much evidence that demonstrates the need for changes in public policy, in service delivery, in the provision of information and in the degree of co-operation between agencies towards the goal of helping people to achieve their ambitions.

To build on and to help test this evidence, the SEZ commissioned a Citizens’ Jury on the theme of moving from benefits to employment, the UK’s first Citizens’ Jury on this subject. Working with a randomly selected group of people from Newham, we set a challenging task: The Jury was given four days to understand the complexity of welfare benefits, information and advice services, and training provision and to suggest recommendations for changes that could be piloted.

The following report by Dr. Anne Gray, the Jury Facilitator, clearly shows that the Jury delivered. This was due, in no small part, to Anne’s independent advice, support and encouragement.

Equally as important in the success of the Jury were the many witnesses who provided information and insight into the current situation. We are grateful to them all. Witnesses took part by invitation and voluntarily. They shared a commitment to improving the ‘system’ and providing a quality service. All could see where improvement was necessary.

I believe this report contains clear messages.

A common theme was a perceived need for Whitehall policy makers to work more closely with those who deal with benefits every day – those who receive them, those who pay them, those who advise on them, and those who provide training. Welfare benefits need to respond much more effectively to individuals’ needs. We need rules and practices for the benefits system that help people climb the ladder out of poverty not that keep people on the lower rungs.

Secondly, the detail of the Jury’s deliberations was extraordinary and the level of understanding that was quickly developed is reflected in the quality of its recommendations. The message here is for those who govern us all. There is a wealth of knowledge and commitment stored in communities all over the UK but it remains largely untapped. With

moves nationally to encourage citizens to participate in community change, most recently in the National Strategy for Neighbourhood Renewal, we must ensure that this potential is properly harnessed. We have to use imaginative ways of engaging people but, most importantly, people have to be able to see practical evidence of the government responding. Give local people the authority, independence and support they want. Trust in them. They can tackle complex issues and they will deliver.

Thirdly, the Jury's recommendations are consistent with and add legitimacy to the evidence the SEZ team has already gathered through its work with people in our community. Over the coming months we intend to invite responses from those in government with responsibility for the Jury's priorities. We will publish those responses, as a first step towards turning the report into practical improvements that will help people find and keep a suitable job.

Many thanks are due to Stephen Poole who project managed the Jury whilst on secondment to the SEZ from the Cabinet Office. His commitment to the project was terrific and he can take pride in the outcome. Stephen was with us as part of an ongoing programme of secondments from central government to the SEZ. Such secondments are a helpful way of developing the necessary bridges between the community sector and policy-making circles to share experience of what does and does not work in public policy.

At the conclusion of the Jury, to mark the giving of their time for the benefit of others we presented each Juror with a Community Involvement Award and a certificate. It was a small token of our admiration and appreciation for a report, which we will now take forward on their behalf and which I am pleased to commend to you.

David Robinson
Director
Community Links
June, 2001

2 Introduction

A Citizens' Jury was commissioned by the Newham Social Enterprise Zone (SEZ) in April 2001. The question considered by the Jury was:

“For Newham residents seeking work, what changes should be made to the benefits system, advice and training services to make finding and keeping a suitable job easier? How can these changes be tested?”

The Jury consisted of eleven Newham residents, three men and eight women. Volunteers for the Jury did not know anything about the subject matter of the Jury; they were first informed of the question that they would be asked to consider on April 2nd, 2001. The volunteer jurors were drawn from a random sample of the Newham population. They included a Jobseekers' Allowance (JSA) claimant a self-employed person, a full-time student, two retired people and others who were working as employees, including one who also happened to be a lone parent. Most of them had experience of claiming at least one of the benefits being discussed at some time in their lives. They included both tenants and owner-occupiers, and at least one also had experience of being a landlord. Almost all had children, in some cases now grown up.

The Jury heard evidence from 19 witnesses, of whom eleven provided written material especially for the Jury, and they received written submissions from three others. All these written submissions are listed in the memoranda of evidence at the end of this report and are available on request from the SEZ team. The witnesses included three civil servants who were invited to speak 'off the record' if they wished. They also included five unwaged people who related their experiences of living on benefits and trying to enter paid work. Their evidence has been reported anonymously and some details have been omitted to preserve confidentiality.

The recommendations of the Citizens' Jury were arrived at by consensus rather than by voting. Suggestions were drafted gradually over the course of discussion on the second and third days. They were then written on wall charts and jurors asked to place coloured stickers on each one indicating (anonymously) whether they agreed or disagreed with each one or thought that it needed further debate. There were very few disagreements, but a great deal of intensive debate about the precise form and detail of the recommendations. This debate continued around the draft recommendations drawn up by the facilitator for discussion at the start of Day 4. During Day 4, further recommendations were added and some points of the draft dropped, by a process of debate and consensus.

3 Guide to the Jury's recommendations

The Jury made 37 recommendations. These fell, as it turned out, into five categories:

- *Delivery and administration of benefits and of job centre services*
- *Making work pay*
- *Help for students and trainees*
- *Access to jobs and work experience*
- *Reducing stress and improving quality of life*

The next section presents these recommendations together with the Jury's rationale for each one. It also notes where relevant changes in government policy are already taking place.

Policy on welfare to work is constantly developing, and even as the Jury were sitting, a number of new measures were brought in for the start of the financial year. The Jurors will no doubt take heart from the fact that certain changes are already being made in the direction they wanted to see. It is to be hoped the current re-structuring of job centre services and the considerable attention being paid by policy makers to ways of ending benefits 'traps' and disincentives will offer a timely opportunity for their suggestions to be heard.

4 Recommendations

The recommendations of the Citizens' Jury are presented below together with a summary of the reasoning behind them.

Delivery and administration of benefits and of job centre services

1. *1 Every possible attempt should be made to make processing of Housing Benefit claims simpler, faster and more efficient*

The Jury was concerned that anxieties about payment of Housing Benefit (HB) constitute one of the biggest disincentives for people moving from benefits into employment. When someone who has been dependent on benefits takes a job, she or he must make a new claim for HB. Although the HB Extended Payment facility permits the 'old' HB claim to continue for the first four weeks of employment, the claimant must fill in the right form immediately on starting work.

The first problem is that many claimants do not know about this. The second problem is that the average time taken to process new HB claims is at least 80 days (evidence from LB Newham, memorandum 1). Although the Council has set itself the target of paying 90% of HB claims within 14 days, only 17% of private tenants and 23% of Council tenants have their claims processed within this time limit (memorandum 2). Thus claimants who have just started a job on a low wage and are still entitled to some HB may have a period of several weeks when they receive none, and they cannot tell when the payment will arrive. There is a risk that they will get into arrears during this period, and if they do so, they may lose their homes. A similar problem arises when a tenant reports a change of circumstances or moves house; It may take many weeks for their HB to be re-assessed. Because of the problems about payment of HB, some landlords are unwilling to accept tenants who need it, as shown by a local letting agency's notice to its customers (memorandum 8d).

Update — From April 9th 2001, the Housing Benefit Extended Payment facility is being granted automatically to all claimants starting a job.

2. *There would be an advantage in treating reports of change of circumstances as a revision to an existing Housing Benefit claim, rather than a new claim. This would mean less processing of information and avoid the interruption of cash flow whilst a whole new claim is being processed.*
3. *A simpler system of calculating NB, and a single national form, would help tenants and their advisers to estimate entitlements and make applications correctly.*

The Jury heard from a number of witnesses of major problems in the administration of I-IB, both locally and nationally, leading to delays and stress for claimants, sometimes leading to conflict with landlords and even eviction. This has a huge cost in human terms. As shown by the Audit Commission Performance Indicators, the length of time taken to process HB claims in Newham is very long compared to other areas (memorandum 8a).

The Jury understood that LB Newham is taking remedial action and already a number of improvements have been made since last year (memorandum 9).

A problem both for claimants and for staff dealing with claims is that the information requirements for claiming and reporting changes in circumstances are quite complex, partly due to the national campaign against HB fraud (memorandum 9). In particular, changes in circumstances due to lodgers and grown-up children moving in and out or changing their earnings are difficult for the claimant to report and to document (memorandum 8a).

The HB calculation is complex, and hard for tenants to understand (a sample calculation sheet was submitted to the Jury – memorandum 8b). This makes it difficult for claimants to predict what their net income will be on moving into work.

4. Awards of Housing Benefit should be made for fixed period e.g. six months, like Working Families' Tax Credit

This suggestion was put before the Jury in the NACAB and Newham Citizens' Advice Bureau presentations (memoranda 8a and 8c). It was seen as a way of resolving many of the risks and difficulties associated with HB claims for people moving into work. With assessment of HB for a fixed period, claimants would then not have to worry so much about the impact that entering employment, or any changes in earnings, has on their HB. They would have a period of grace before any change took place. They could take a job without fear of getting behind with their rent whilst waiting for a new claim to be processed. They would not have to report changes in circumstances so often and risk delays in payment whilst their claim is being checked or reassessed. Staff processing HB claims would have less work to do.

The Jury concluded that:

- 5. If the problems associated with local administration area by area cannot be resolved; It would be better for national government to take over administration of Housing Benefit*
- 6. The high quality of help from a Personal Adviser now available on the New Deal for Lone Parents should be made available to all claimants of Jobseekers' Allowance, whether or not on the New Deal.*

The value of quality advice on benefits entitlements, on job search and on training opportunities was highlighted for the Jury by the presentation from Gingerbread (memorandum 6). The New Deal for Lone Parents (NDLP) was described as a service through which lone parents can have long-term contact with the same adviser, and discuss information about opportunities and benefits in the context of a right to have a choice. The adviser in the case of NDLP gives attention to their long-term development needs.

Thorough and sensitive advice and information, both about benefits and about opportunities, with a wide range of options and choices, were seen by the witnesses on JSA or Income Support (IS) / Incapacity Benefit (IB) (and by jurors who had experienced living

on benefits) as some of the most important services they wanted from the job centre. The Jury emphasised that a claimant needs continued contact with the same adviser, who must be someone willing to listen, to be flexible and to consider their needs as an individual.

Update: *Under the new Department for Work and Pensions (DWP) the 'Jobcentre Plus' system is being introduced in 2001-2002 and will gradually be extended to all parts of the country. It will ensure that every claimant of JSA, IS or IS has a Personal Adviser to assess their needs and to help them consider work and training options, and a claimant will have continuous contact as far as possible with the same Adviser.*

7. *'Dummy diners' or 'mystery shoppers' could be used to monitor The quality of reception, Information and advice given in Job centres and Their reports submitted to Job centre managers.*

The Jury thought that this would help managers to assess what actions might be necessary to improve service quality. In discussing this suggestion with DWP staff after the report was drafted, it became clear that a research company is already regularly hired to carry out mystery shopping and to see whether job centres fulfil the commitments of the Jobseekers' Charter'. The findings of this exercise are posted in job centres, but perhaps better publicity could be given to this initiative.

8. *A drive to recruit people over 50 to work In Job centres is suggested as one way of finding staff who are likely to remain In post until retirement Where they are willing to face the tough challenge of front-line work with Jobseekers, It was felt that this age group would bring to their work self-confidence and a broad experience of life.*

This would help to reduce turnover of job centre staff so that claimants, even if not on the New Deal, can see the same adviser throughout their claim.

9. *There should be better training of job centre staff to ensure that they can all deal sensitively and appropriately with all their client base and that they are well informed about the finer details of the benefits rules and local training opportunities. Sensitivity is especially important for people with learning difficulties or mental health problems.*

The Jury heard evidence from two JSA claimants and two IB claimants, as well as from an organisation acting in a support and advocacy role for people with learning difficulties. These testimonies illustrated certain problems in the way that advice is given. They included frequent changes of adviser and not being told about HB Extended Payment. Another issue is jobseekers being pushed to join particular training courses without sufficient consideration of whether these are the most suitable routes into work for them. People with learning difficulties are said to receive insufficient help in relation to their special needs with initial reception and signing-on procedures. Sometimes it is assumed they can cope when they cannot. It was felt that Job centres need to undergo a degree of cultural change to become more focused on meeting the needs of the individual 'customers' they serve.

10.10 Disabled people need more help and advice to understand and take up their entitlements. This requires not only information for clients themselves, but information and training for a wide range of professionals with whom they may come into contact NHS staff both in hospitals and doctors' surgeries, Council Social Services staff and housing officers.

The Jury hoped that the new system of benefits delivery envisaged under the 'Jobcentre Plus' programme (originally planned under the title ONE), which is soon to offer advice on all disability-related benefits and IS under one roof, would be an opportunity to provide more intensive specialist advice to disabled people about their entitlements. However they felt that this would only be possible if the new system involved a more generous staff complement, rather than economies in human resources.

The New Deal for Disabled People, which was being piloted in Newham in 2000-2001, is; now a national programme and will increase the resources and range of services available to disabled people to help them find work. This is a positive development although the Jury's concern in making the above recommendation was more about the difficulties of making a claim for benefits and understanding the procedures for doing so, than about help in getting a job.

11. From the testimony of witnesses who had tried claiming disability-related benefits either for themselves Or their relatives, It appeared that there is a clear need for home visiting in some cases to provide benefits advice and help with form-filling.

This need extends to some people whose condition is a mental illness, who may appear to have 'nothing wrong with them' in physical terms (see the evidence from Witness D). A further difficulty concerns some people with a mental health problem who may appear capable of coping with benefits processes on their own but in fact may not be consistently able to cope, or even hide their difficulties (see the evidence from Witness E). In these cases their next of kin, or an advocate or social worker, needs to be informed and involved in the benefit application process.

12. Benefit rules, whether for Jobseekers' Allowance, Incapacity Benefit, Income Support or Housing Benefit, as well as New Deal rules, should be interpreted flexibly and with due regard for the needs and circumstances of the client seen as an individual.

The Citizens' Jury drew attention to the following examples of relaxation of rules, which they would like to see:

13. Exemption for people who are on Jobseekers Allowance and have learning difficulties from courses which would normally be compulsory for Jobseekers' Allowance claimants. Instead, they could attend courses provided by specialist voluntary agencies to meet their needs. This would make them less frightened of going onto Jobseekers' Allowance, or staying on Jobseekers Allowance, rather than Income Support or incapacity Benefit.

14. *More freedom than currently permitted for people on Jobseekers' Allowance to do voluntary work including opportunities, which they have found for themselves, outside of New Deal training and work experience arrangements. It should be recognised that voluntary work often makes a valuable social contribution and can provide on-the-Job experience needed to find paid employment in fact voluntary work may provide the best route into a paid job for certain people. It should also be recognised that host organisations often would pay wages for voluntary work if they could.*
15. *Flexibility in relation to the 'non-dependants' deduction' from HB, to deal with the situation of tenants whose working sons or daughters leave home without having a new fixed address. In such cases, the fact they have moved away cannot easily be proved to officials.*

Making work pay

16. *The Income Support 'run-on' of full benefits for the first two weeks in work, which is now available just to lone parents, should be made available to people on Jobseekers' Allowance and to other income support or incapacity benefit claimants as well. The 'run-on' should happen automatically for all those entitled to it, rather than claimants having to apply for it.*

The Jury felt that the period of transition from benefits to work is a time of particular financial strain. There is the need to buy work clothes and pay for transport costs at the same time as Jobseekers' Allowance ceases. Meanwhile, the first pay cheque may be paid up to a month after starting work. It was noted that the current rules for Lone Parents' Run-on make this available only after a minimum claim length of 26 weeks and for jobs likely to last at least 2 weeks, so that there is no risk of abuse of this facility by people moving in and out of work frequently when they obtain a sequence of temporary jobs.

17. *The 'earnings disregard' limit for Jobseekers' Allowance claimants, currently £5 for single people and £10 for couples, should be raised to £20, the level for lone parents.*

The Jury felt that the financial penalties for doing small amounts of work whilst on benefits are too harsh, and that every encouragement should be given for claimants to do small jobs where they can. They heard from witnesses how difficult it is to manage on benefits alone, and how the temptation to do 'work on the side' is considerable although no evidence was put forward to indicate on what scale this actually occurs.

Update: *From 9th April 2001, the disregard limit for lone parents, other carers and disabled, people in receipt of IS or JSA, is raised to £20. No changes have so far been announced for other Jobseekers.*

18. *The earnings disregards should be even higher for partners of Jobseekers' Allowance and income support claimants. Partners should not be so heavily penalised for taking or keeping a job whilst the family is claiming a means-tested*

benefit This could be done by separating out the husband's and the wife's element of the benefit so that the claimant's partner, on taking a job, would only lose her 'own' allowance and not that for the whole family. This would not only give partners an Incentive to work, but avoid a situation where a couple could be better off if they split up.

The Citizens' Jury felt that women in couples are entitled to their own income and should be given an incentive to take their own decision whether to enter employment independently of their partner's employment status.

A strong case may generally be made for greater equity in the benefit rules between lone parents and couples; otherwise the benefits package for lone parents, whilst it still appears to lone parents themselves to be far from generous, presents couples with a financial incentive to declare themselves as two separate households. This recommendation, as well as the two previous ones, emerged partly from the debate around this question.

19. People caring for dependants - typically women bringing up children - should be credited with National Insurance Contributions during periods of unpaid caring responsibilities, in such a way that they could claim contribution-based Jobseekers' Allowance when they seek to return to the labour market

The purpose of this measure would be to give women a right to an income of their own in households without paid work, and to encourage them to seek employment. It would be of particular value for women in workless households where the main source of income is a means-tested benefit; these women at present suffer a severe disincentive because of the means test. They would only be able to claim JSA if they signed a Jobseeker's Agreement in the usual way, which would be a sufficient safeguard against women claiming JSA who were not seriously looking for a job.

20. There should be better incentives for disabled people to try coping with a job and to do part-time work if they cannot manage a full-time Job on a regular basis. The benefits system needs to be made more flexible to help disabled people who would like to work, but are only able to do so sporadically because of fluctuations In their medical condition. For this the Citizens' Jury suggested three measures:

21. Universal application of, and good publicity for, the 62 week linking rule, which permits a disabled person who starts work and stops claiming Incapacity Benefit or income Support to go back onto benefits within 52 weeks if they cannot cope with the job.

22. Disabled people who are on Jobseekers' Allowance, and whose capacity to work fluctuates from time to time, should be allowed to restrict their 'availability for work' to part-time hours if that is all they can regularly manage to do. (They may be capable of full-time work In some weeks - perhaps including the period in which their capacity is discussed with a Job centre adviser - but they might let an employer down or get into conflicts at work if they commit themselves to hours which are too long for them).

23. Disabled people whose capacity to work fluctuates should also be permitted to work sporadically if they have the opportunity to do so. Their earnings 'disregard' could be expressed as a total over several weeks or better still six months, so that if they earned more than the normal weekly disregard of £20 in a 'good' week but were unable to work regularly, they could still keep their earnings.

A further recommendation by the Jury about the situation of people with learning difficulties, concerning mandatory job centre courses, has been incorporated into recommendation 5 about general flexibility of the benefit rules.

The Jury heard from First Line Supported Employment Agency, an organisation which helps people with learning difficulties (memorandum 7), that the 52 week linking rule is not as widely publicised or made available to their clients as they would like. Some jurors were also aware of people whose capacity to work fluctuates because of their medical condition, and who are willing to work when they can, but who find themselves constrained by the benefit rules. It is important that Jobseekers' Allowance rules are made 'user-friendly' and flexible for disabled people, in order that they are not given a perverse incentive to retain their IB or IS.

24. The 'non-dependants' deduction' from Housing Benefit should be considerably smaller

This suggestion was made in the NACAB presentation (memorandum 8a) and extensively debated by the Citizen's Jury in the light of jurors' individual experiences. A reduction in the 'non-dependants' deduction' would avoid situations where a teenage son or daughter is deterred from entering work because of the effect on the parents' HB. It would also avoid family conflicts where a parent is obliged to extract 'rent' from a working son or daughter, which may result in the son or daughter leaving home and becoming vulnerable to homelessness, or putting more pressure on the supply of housing.

The Jury was unable to decide on a proposal about the extent of the reduction, within the limited time available for discussion. It was felt that young people should be expected to make a contribution to the family's rent as soon as they can, but a balance has to be struck between this responsibility and giving them an incentive to take a job.

25. The 'taper' for Housing Benefit currently 65p in the pound, should be reduced to provide better Incentives to work.

At present 65p of every extra £1 of the tenants income is lost through clawback of HB. The Jury felt this was equivalent to a very high 'tax' rate on low wages, and that more people would be encouraged to enter work if the taper could be reduced.

Help for students and trainees

26. Full-time students should be allowed to claim Housing Benefit This facility should be limited to maximum of five years for each individual

Most students are excluded from RB, unless they are lone parents or a student couple responsible for a child. The Jury felt that this exclusion is an anomaly now that student grants are no longer generally available. There is a particularly perverse situation whereby a working father whose wife or partner is a full-time student suffers a 'student deduction' from RB, but a working father or mother with an inactive partner can claim HB at the normal rate. Moreover, there is a perverse incentive for students in the first situation to change their living arrangements so as to declare themselves lone parents. The evidence from Newham College of Further Education referred to the limited housing options and risk of homelessness for students who cannot claim Housing Benefit.

Given the need for skills development in the economy, and the need for those who can train themselves out of a 'low pay' bracket to do so in order to reduce competition for entry-level jobs, it makes sense to give would-be students every encouragement. The Jury felt that HB for students should not be limited to work-related courses, because some students need to pursue a university access course before entering higher education. It was thought that the time limit of five years was appropriate for a life-time maximum of student RB claims, to deter 'perpetual students'; but in practice most students would not need as long as this to complete their courses.

27. There should be a tax credit for parents who are supporting a son or daughter through college or university. This could be done by extending the 'children's tax credit to all sons and daughters in full-time education, up to their 24th birthday, provided the parent can prove that they are full-time students and that they are not earning more than the single person's tax allowance during the year.

The Jury was concerned that general encouragement should be given to further and higher education, in order that everyone in the community can improve their way of life and develop their skills as fully as possible. More assistance is needed from the government for families to help their sons and daughters through college. The absence of student grants is a significant barrier to families on low and middle incomes who want to do this.

28. The limit of 16 hours per week for study time by people on Jobseekers' Allowance should be changed to 21 hours. This would increase the scope for Jobseekers to pursue courses, which they have found for themselves, outside of the New Deal. It would streamline the Jobseekers' Allowance rules with those about exemption from Council Tax.

Witnesses who were JSA claimants spoke of the need for a wider choice of training opportunities than those available through Employment Service and New Deal arrangements. The evidence from Newham College of Further Education (see memorandum 5) highlighted the way in which the 16-hour rule acts as a barrier to certain kinds of training and career moves. From this and from the evidence of the SEZ 'what if..!?'

project (see memorandum 12) the Jury were made aware of a category of part-time students who cannot claim JSA, because their course is for slightly more than 16 hours per week, but cannot claim exemption from Council Tax, because it is for less than 21 hours. Streamlining the rules would permit more people to engage in part-time study which would increase their job prospects without worrying about how their choice of course, or variations in hours of study made necessary by educational considerations, affect their entitlement to benefits.

29. Consideration should be given to 'mystery shopping' as a way of monitoring the quality of training courses for unemployed people.

The Jury was concerned to suggest ways of monitoring the quality of training courses, especially those provided by private training companies. This concern was motivated by personal experiences of courses with inadequate individual attention from tutors, and by the evidence from one witness who felt he had been used as 'cheap labour' by a telesales company which had trainees doing 'cold calling'.

Access to jobs and to work experience

30. The Travel to interview Scheme, for help with travelling long distances to job interviews, should be better publicised and should be made available to all Jobseekers' Allowance claimants.

The Jury felt that this is a helpful scheme for opening up a wider choice of jobs. One juror had not been made aware of it when it would have been of benefit to him, and a witness who had been on JSA said that it had only been made available to him after he had been unemployed for two years. It was understood that the scheme is in principle available, at the discretion of job centre staff, to 18-24 year olds up to the 13th week of a JSA claim, to people on the New Deal for Young People (NDYP) only if funding can be provided from the local New Deal budget, and to older Jobseekers from the 13th month of a JSA claim.

Update: Happily, this recommendation has now been met, since the Travel to interview Scheme has become available to all JSA claimants from April 2001. Hopefully good publicity will be given to this change so that it really makes a difference to people seeking to attend job interviews a long way from home.

31. Measures need to be taken to reduce discrimination by employers against older people. In particular, some employers may incur high costs on including people over 50 in their occupational pension schemes. Employing people over pensionable age may sometimes have implications for the employer's insurance. The Jury recommended study of these issues, and also that the Employment Service could itself act as a model for other employers by recruiting more people over 50 to work in Job centres (see recommendation 3).

32. Measures are needed to reduce the proportion of ethnic minority youth who remain unemployed long enough to enter the New Deal client group. A local mentoring scheme would be helpful here, possibly using volunteers. Many ethnic minority

youth finish their pre-19 education at college rather than at school, so it would help them to improve the effectiveness of further education college courses as a route into work.

33. Employers need to be made more aware of the meaning and value of FE qualifications such as BTEC and GNVQ, since they may not know as much about these as about A levels. This would improve the relative chances of those ethnic minority youth who have FE qualifications.

34. Further education colleges need to be given adequate financial incentives to provide students with thorough careers advice and positive help to obtain a job at the end of their courses. Again, this would especially help ethnic minority youth and reduce their risk of entering the New Deal.

35. More companies and public sector employers need to be drawn into providing work experience for unemployed people and women returning to paid work.

The Jury was impressed with the NEWTEC model, (see memorandum 10) where the training provider pays trainees a wage and hires them out to employers, in the same way as an employment agency, to get experience, ploughing any profits back into the training scheme. This model could be used more widely. However, it would not be appropriate for all trainees or all training providers; NEWTEC themselves told The Jury that it might not be an appropriate system for trainees with multiple barriers to work, and lone parents are better off remaining on benefits until they can earn a higher wage than the 'trainee hire' arrangement can provide.

36. Financial help should be available with unregistered childcare as well as registered childcare, under the Working Families' Tax Credit and the New Deal for Lone Parents.

The Jury were informed that only costs of care from registered childminders or nurseries can be considered for reimbursement under WFTC or NDLP. However, many parents would prefer that their children remained with a relative or close friend whom the family knows and trusts, rather than with a commercial provider. One of the Canning Town Advice Centre case histories (see memorandum 13) shows how hardship can be caused where WFTC cannot be claimed for childcare because it is not from a registered provider. Moreover placements with a registered childminder may not be available at short notice (for example to attend a job interview) or for very short periods (for example to attend a short training course on the NDLP).

Reducing stress and improving the quality of life

37. Income Support should be raised by at least £10 per week per household, with a parallel uplift of all benefits linked to the Income Support level

The Jury heard that IS has reached an all-time low in relation to the level of average earnings (memorandum 6). The IS level is a key definition of need to which other benefits such as income-based JSA and HB are linked. Households living on such a low income are subject to constant worry about how to make ends meet. This reduces their employability in the sense that time and energy are consumed by day to day coping rather than by thinking constructively about the future. Job search, social networking which may lead to employment, and participation in community activities which helps to preserve and develop skills, are all prejudiced by lack of sufficient money.

Update: *The increase in benefit rates for children in families on IS or JSA, which will rise by £1.50 per child from October 2001, is a welcome change. However, the rates of ISA and IS for childless people remain low.*

5 Conclusion

The Jury's discussions reflected the frustrations felt by people about the complexities of means tests and the 'traps' to which they give rise when people try to get back into work.

In particular, the discussions revealed some inter-generational aspects of means-tested assessment, involving young workers or students and their parents, which have perhaps received less attention from policy-makers than the traps for families with young children.

There was also a significant concern for women to have more rights to benefits independently of their husbands.

Much of the Jury's discussion focused on Housing Benefit, which was thought to be badly in need of reform both with regard to its rules and the way it is delivered.

There was a call for much greater flexibility of the rules about availability for work and earnings disregards, most of all for disabled people and those with borderline or intermittent capacity for work.

The Jury members surprised themselves by the sheer amount of information that they were able to consider and digest in a few days, and by the quality of detail in the discussions. Citizens were able to use their life experiences to have a high quality debate about issues often left to 'experts'. Altogether, the sessions were an immensely positive and memorable experience.

6 List of witnesses

Kimberly Bachelot	Manager, Newham Citizen's Advice Bureau
Bruce Bebbington	Debt Caseworker, Canning Town Advice Centre
Kevin Brailey	Director of New Deal, Education Department, LB Newham
Steve Clare	Director of Operations, NEWTEC
Margaret creear	Policy Officer, Gingerbread
Cynthia Davies	Policy Adviser, Department for Education and Employment
Graham Hishmurgh	Monitoring Officer, Housing Department, LB Newham
Jacqui Mace	Vice-Chair, Newham Chamber of Commerce
Michelle May	Access to Jobs Co-ordinator, Regeneration and Partnerships Division, LB Newham
Celia Minoughan	Assistant Unit Manager, Social Regeneration Unit, LB Newham
Emma Mulvey	Student Adviser, Newham College of Further Education
Liz Phelps	National Association of Citizen's Advice Bureaux
Oath Robson	Team Leader, New Deal Programme, Plaistow Job Centre
Natalie Steel	Employment Adviser, First Line Supported Employment Agency
Joanne Thompson	Senior Employment Adviser, First Line Supported Employment Agency
Jeff Worthy	Manager, Plaistow Job Centre
Witness A	JSA claimant
Witness B	New Deal participant
Witness C	Disabled person; ineligible for IB
Witness D	IB claimant
Witness E	Carer for a disabled IS claimant

7 Memoranda of written evidence

- 1 LB Newham; selection of benefits performance data
- 2 Benefits and advice in Newham; background paper
- 3 The employers' views (Newham Chamber of Commerce)
- 4 New Deal for the Unemployed (Plaistow Job Centre)
- 5 Newham College of Further Education; issues identified by student advisers
- 6 Welfare to work and lone parents (Gingerbread)
- 7 First Line Employment Agency; brochure
- 8 Memoranda:
 - (a) Housing Benefit and welfare to work (Liz Phelps)
 - (b) Housing Benefit calculation sheet
 - (c) Housing Benefit (Newham CAB)
 - (d) Notice from Streets Ahead letting agency
- 9 Housing Benefit (G. Hishmurch, LB Newham)
- 10 NEWTEC (Newham Training and Education Centre)
- 11 New Deal Programme, Newham College; A few client Case Studies
- 12 SEZ team; 'what if...?' overview
- 13 Canning Town Advice Centre; four social policy cases
- 14 Newham New Deal; findings of early leavers survey (summarised from Community Consultants report by Lisa Cargill)

8 Notes of oral evidence

These notes have been made brief and selective to preserve the confidentiality of the witnesses.

Witness A

Man aged 30, now working again.

Main points of evidence:

- JSA Is not enough to live on. He had £68 per fortnight after paying rent.
- It was therefore helpful to have a training allowance of £10 extra whilst in training, although fares to the training centre had to be paid out of this.
- The kind of training he wanted (IT related to the Internet) was not available under the range of training options which the job centre could provide.
- The training he was given was poorly matched to available jobs. He attended several private training companies' courses, without finding a suitable job and without receiving much help to do so from these training providers.
- One training scheme involved 16 weeks with a private training company, with a work placement practising 'cold calling' for telesales work. The wage offered was £3.80 per hour.
- Claimant advisers frequently changed. Some were more helpful than others. Some took a long time to find information.
- He was not informed about the possibility of HB Extended Payment.
- He attended a job club and 'rehearsals' for job interviews, but did not feel these services were very effective.
- He was worse off after starting a job because of loss of HB.

Witness B

Man on New Deal for the over 25s, in his 40s.

Main points of evidence:

- His Personal Adviser (PA) ignored the fact that he had arranged a course for himself three days a week, when assessing the steps he had been taking to move closer to getting a job. Because it had not been arranged through the job centre, it was as if it did not count for anything.
- He had undertaken regular voluntary work as a way of getting a planned programme of work experience for a particular type of job. His adviser had argued that this was not appropriate as a step towards getting a Job, and had given him until May to find a job or be placed on a mandatory training course - yet he had just completed 12 months training and now needed work experience.

- His PA was putting him under pressure to apply for jobs outside the field in which he was gaining experience, cutting across the 'back to work' strategy he had carefully planned for himself with the help of a training provider.
- He would like there to be more freedom for JSA claimants to do voluntary work, and some easing of the targets set by job centre staff for the number of job applications claimants should make.
- There should be an appeals procedure where a jobseeker disagreed strongly with the instructions given by a PA.

Witness C

Married man, 40s, had been out of work because of disability for some years.

Main points of evidence:

- After his condition (which is of an 'invisible' kind) had been diagnosed, it was some time before appropriate treatment was identified. During this period his condition (since become more controlled) caused him to take a lot of time off sick. His employer had a policy of not tolerating more than five days' sickness a year, so he was dismissed due to his sickness record.
- With the help of the Disability Resettlement Officer at the job centre, he obtained another part-time job on a short-term contract. He was working too many hours to be credited with National Insurance Contributions (NIC), but not earning as much as the NI threshold. So when this contract ended, his NIC record was not recent enough to be entitled to IB, even though he had paid contributions for at least 18 years. He is supported mainly by his wife and other relatives. He says this is *Very embarrassing; I haven't been able to buy (my wife) a birthday present for years*".
- Every 2 or 3 years he has to re-apply for Disability Living Allowance. Each time it is refused, and he wins it on appeal. This has happened four times,
- Despite all these difficulties he has not lost heart and is still applying for one job a week on average.

Witness D

A woman, now in part-time self-employment and gradually reducing her dependence on benefits. She uses the facility for permitted 'therapeutic earnings'.

Main points of evidence:

- Because of a death in her family, she found herself caring for young children when she was herself still very young. But she could not claim IS as a lone parent because she was not their mother. Because of her disability, it was very hard for her to go out of the house at that time, which made it particularly difficult for her to find out about benefits entitlements or to visit benefits offices. For a period when her entitlement was questioned and her benefits stopped, she and her household had nothing but Child Benefit to live on.

- She has had a very sympathetic doctor who helped her sort out benefits problems and was also very supportive in helping her launch herself into self-employment.
- With a turn-around in her medical condition and the beginnings of a successful business, she is now looking forward to happier times.

Witness E

Cares for her son, who developed a psychiatric condition at the age of 17. Now 23, he is still unable to work and claims IS.

Main points of evidence:

- When her son was in hospital for four months his IS stopped. He was discharged from hospital without any help having been given to him to re-apply for IS or HB. At this point he was trying to live independently in his own home, and to complicate his problems he was discharged in mid-winter to live in a flat where the central heating had broken down. If his mother had not stepped in to resolve his several problems at this time, he might have been vulnerable to homelessness or even suicide.
- Sometimes her son has been offered benefits application forms to fill in for himself and sometimes he gives the impression to strangers helping him that he can cope with doing this. But in practice, he needs help and left to himself might not see through an important paperwork process.

9 Abbreviations

DPTC	Disabled Person's Tax Credit
HB	Housing Benefit
IS	Income Support
LB Newham	London Borough of Newham
NEWTEC	Newham Training and Education Centre
N DYP	New Deal for Young People
PA	Personal Adviser
WFTC	Working Families' Tax Credit
FE	Further Education
IB	Incapacity Benefit
JSA	Jobseekers' Allowance
NACAB	National Association of Citizen's Advice Bureaux
NDLP	New Deal for Lone Parents
NIC	National Insurance Contribution
SEZ	Social Enterprise Zone

For more information on the Citizens' Jury or any other aspects of the Social Enterprise Zone, please contact Matthew Smerdon at the address below.

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f 020 7473 6671 email matthew.smerdon@community-links.org

10 Appendix I

Purpose of the Social Enterprise Zone

The Social Enterprise Zone is a project that generates and tests ideas for making public services more effective.

Background

From the roof of our main building in Canning Town, it is possible to see many impressive developments going on in East London: the gleaming Tube trains travelling along the new Jubilee Line; the futuristic new passenger terminal at Canning Town; the jets on their way to and from London City Airport; delegates travelling to the new ExCel Conference Centre. Looking over all of this are the three 50-storey towers at the centre of Canary Wharf, a development begun in the 1980s as a Business Enterprise Zone, which has since grown to become one of the largest commercial property developments in Europe.

But at the same time as taking in this view, you are also looking out over one of the most extensive areas of urban deprivation in Europe. This area has experienced every state-sponsored regeneration initiative since the 1960s, yet for all the bright new stations and buildings, people still live here with the day-to-day implications of long-term and multiple forms of poverty which touch every area of their lives.

The statistics are revealing. In Newham, total spending by the public sector accounts for 65-75 per cent of the local economy. In other areas this percentage can be as low as 40 per cent. Of these public sector resources in Newham, 98 per cent are spent on mainstream programmes such as welfare benefits and housing, whilst only two per cent are specifically targeted at regeneration. And so, with such a small proportion of the available resources it is perhaps not surprising that 'regeneration' in East London, whilst improving some aspects of life here, has failed to change life for those with the most needs. We realised until we spend the 98 per cent more effectively, we are expecting too much of the two per cent. At the same time, we knew that both staff and users of public services with their personal front-line experience have useful and practical ideas for improving the effectiveness of public services but that too often good ideas get filed on the good ideas shelf or, worse, just go straight in the bin. We also knew about Business Enterprise Zones, where rules that restricted economic activity were removed or streamlined.

We asked what if the flexible Business Enterprise Zone approach could be applied to the way public services are provided? What if we harnessed all the experience of the people who live with the challenges everyday and linked this to a mechanism to test these ideas, flexing rules and established practices where this was necessary?

This thinking was set out in a report published by Joseph Rowntree Foundation (JRF) in 1998¹ which concluded with the call to establish Social Enterprise Zones. JRF also supported early development work until, with funding from a government Single

Regeneration Budget 5 programme in January 2000, we established a pilot Social Enterprise Zone in Forest Gate and Plaistow.

We have implemented a programme called *What If...?* to gather ideas from people living and working in our community. We speak to individuals, voluntary groups and agencies to identify their future goals, the barriers to these goals and ideas for tackling these barriers. Because the *'what if...?'* exercise is confidential and because we are independent and impartial, it offers a good environment for people to consider options, gain confidence, raise concerns and suggest practical ways forward. We also undertake more formal exercises for generating ideas such as a four-day Citizens' Jury held in April 2001, the conclusions of which are written up in this report.

The ideas that come out of these exercises are then developed in a number of ways, from working with local agencies and established local Forums and Working Groups, to making personal submissions to central government Ministers and civil servants. The people whose ideas we are putting forward stay involved at every stage, for example through helping to gather further evidence of the need for new policies and practices. We also support people to make best use of the rules as they currently stand.

We have established a number of themed round table groups, which draw together people from our community, officials from government departments and workers from our partner organisations. Through these groups we aim to develop a common understanding of the problems and a shared commitment to testing solutions. We are linked by the desire to make the welfare state a genuine ladder out of poverty. No one is suggesting that any public, private or voluntary sector body has ever set out to *create* poverty; the SEZ is a mechanism for changing the rules and procedures, which sometimes have that effect.

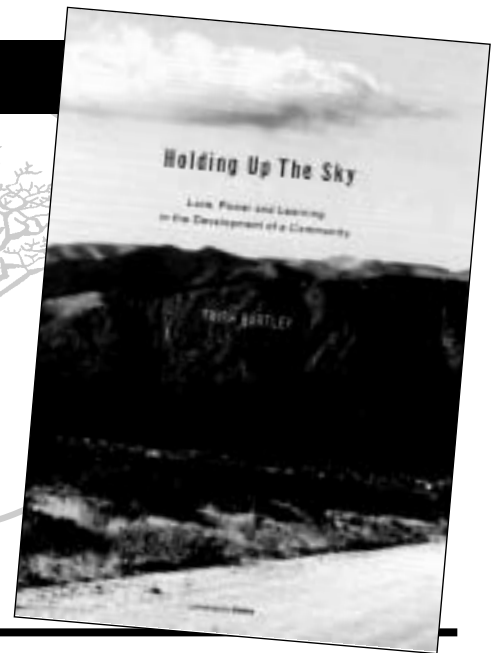
¹ David Robinson, Kathryn Dunn and Scott Ballintyne (1998) ***Social Enterprise Zones: building Innovation into regeneration***. York: JRF

New book from Community Links

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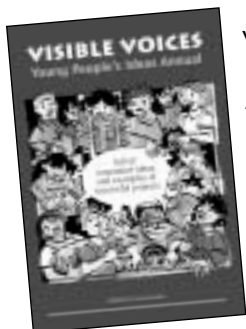
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