



Amicus response to the DWP's Green Paper
A new deal for welfare: Empowering people to work

Introduction

1. Amicus is the UK's second largest trade union with 1.2 million members across the private and public sectors, Our members work in a range of industries including manufacturing, financial services, print media, construction, not for profit sectors, local government, education and the NHS.
2. We welcome the opportunity to respond to the DWP's green paper, ***A new deal for welfare: Empowering people to work***. This is an important green paper which will impact on a significant number of people who face discrimination in society. It is key that people are effectively supported to work and remain in work if they are able to do so. Although, Amicus welcomes some of the recommendations in the paper, e.g. the expansion of Pathways to Work, we are concerned about certain aspects including compulsion, sanctions, the provision of funding and delivery of services. Additionally, insufficient attention has been given to the barriers and discrimination that vulnerable groups face which need to be addressed to provide equal opportunity in the labour market.
3. **Executive Summary**
 - 3.1 Amicus welcomes the Government's aim of an employment rate of 80% of the working age population and to increase employment amongst disabled people, lone parents and older workers. These distinct groups often suffer disadvantage and discrimination in society and employment is important in reducing poverty, social exclusion and ill-health.
 - 3.2 Additionally, we support the expansion of the Pathways to Work Programme which has achieved considerable success by supporting disabled people into work. **However, we are concerned that the DWP budget cuts are a threat to the funding that will be required to ensure the programme's success and more generally, the impact of the cuts on improving employment for the disabled,**

lone parents and older workers. As an example, the Government has under-funded the Access to Work scheme which has resulted in low awareness and use of the scheme amongst employers and workers. Sufficient funding is required if people are to be supported into work from the benefit system.

- 3.3 The Green Paper starts from the misplaced assumption that there is an Incapacity Benefit (IB) crisis when the number of people claiming IB only has increased slightly. Those that claim IB and Severe Disablement Allowance (SDA) has fallen. Although, the number of people claiming Income Support with a disability premium has risen, it has been stable for three years. **We would argue that the number of claimants reflects developments in health and disability which is reinforced by the fact that the levels of IB fraud are very low.**
- 3.4 **Taking these facts into account it is not necessary for a coercive system of benefits for sick and disabled people.** What is required is a supportive approach and although Amicus welcomes the plans to cut the numbers who leave work due to illness, and extra support for those on benefit to return to work, **we cannot support the strong element of compulsion and “sticks” in the proposals. In particular, it is unacceptable that any reform should include benefit cuts that will lead to additional hardship and stress for vulnerable groups of people.**
- 3.5 The paper does not place enough emphasis on the barriers faced by disabled people. In the area of work these include inaccessible workplaces, lack of proper equipment and employer discrimination. **It is necessary to remove these barriers and strengthen legislation if disabled people are to have equal opportunities in the labour market.**
- 3.6 **Equally, it is necessary that those moving from benefits should be able to find a secure job with a living wage.** More attention needs to be given by the Government to the demand side of the labour market and at the quality of jobs people are entering into when leaving benefits.
- 3.7 **We do not support that delivery of these reforms should include the provision of services by the private and voluntary sector providers.** This is a threat to public sector employment and to the quality of service that will be provided.

4. Developing Healthy Workplaces

- 4.1 Developing healthy workplaces is a key method identified in the paper to reduce IB claims and to cut the numbers who leave work due to illness. Amicus welcomes this strategy which aims to reduce health problems that can lead to unemployment and, where people do develop health problems, gives support for them to remain in work. A

central element of this strategy is *Health, work and well-being* which emphasises the importance of partnerships to create healthy workplaces. This includes working in partnership with trade unions and developing the role of health and safety representatives.

- 4.2. To support healthy workplaces the Government should set up a national occupational health service which will support rehabilitation, provide necessary aids and facilitates for disabled people to remain in work and to gain access to work. This service could provide independent, specialised and expert support to workers, employers, GPs and primary care staff. Independence would be important in this service, as although some larger organisations do employ occupational health experts, they do not have independence, as they are an employee of that organisation. A national occupational health service would be a better alternative to rewarding GPs and primary care staff who take active steps to support individuals to remain in or return to work. Financial incentives are not an appropriate method to deal with this issue and could lead to a break down in trust between the GP and patient.
- 4.3 We are against employment advisers be placed in GP surgeries. GPs and primary care workers should be able to advise and support their patients in both remaining in work and returning to work. Therefore, the suggestions for an occupational health advice line and a national programme for GPs on health and work would be welcomed. However, as with financial incentives, Amicus feels that it is not appropriate that employment advisers are placed in surgeries because of the impact that this might have on the relationship between the GP and patient. It may also lead to sick and disabled people not seeing their GP because of a fear that they may be forced into work. This could have a detrimental impact on both their health and job opportunities.
- 4.4 Employers need to be made more aware of their duties under the Disability Discrimination Act and the support that is available under the Access to Work scheme. **The Government should promote both the DDA and the Access to Work scheme to employers and workers and increase the funding to Access to Work.**
- 4.5 **Additionally, the DDA needs to be strengthened.** Amicus welcomes that the disability equality duty will be introduced in the public sector, but it is necessary that this should be extended to the private and voluntary sectors. Employers in these two sectors are unlikely to take sufficient action to improve opportunities for disabled people without compulsion by the law. The Government should also introduce a statutory right to paid Rehabilitation Leave and the power of tribunals to order reinstatement and reengagement.

- 4.6 Amicus supports the extension of the right to request flexible working to all workers, but as a starting point the regulations should be extended to disabled workers as soon as possible. This would allow disabled people more flexibility in the hours that they work, a phased and gradual return to work after a period of sick leave, allow time off for medical appointments and help those that have partial capacity for work or fluctuating conditions.

5. Statutory Sick Pay

- 5.1 It is to be welcomed that the Government plans to abolish the three day waiting period for statutory sick pay (SSP) which will now be payable on the first day a person is sick for work. This will be of particularly benefit for workers in low paid or unorganised sectors who have to rely on SSP and face hardship in not receiving it for the first three days of illness.

6. Incapacity Benefit Reform

- 6.1 The Government plans to replace incapacity benefits with a new Employment and Support Allowance from 2008. Amicus supports that the new allowance should not label someone as being “incapable of work”, remove the complexity surrounding existing benefits and ensure that those with the most serious disabilities and health conditions would not have to engage on a compulsory basis. **However, we do not believe that it is necessary for a coercive system of benefits for sick and disabled people.**
- 6.2 The green paper starts from the misplaced assumption that there is an IB crisis when the number of people claiming IB only has increased slightly and those that claim IB and SDA has fallen. Although the number of people claiming Income Support with a disability premium has risen, it has been stable for three years. **We would argue that the number of claimants reflects developments in health and disability which is reinforced by the fact that levels of IB fraud are very low.**
- 6.3 **There is a strong element of compulsion and “sticks” in the proposals.** For most new claimants the reforms will mean undergoing Personal Capability Assessments, taking part in work-focussed interviews and completing an action plan, which will require work-related activities. Those that fail to do so will face a reduction in their benefit which could fall to the same level as Jobseeker’s allowance. Existing claimants will retain their current benefits with no reduction, but again most will be subject to the new regime as above.

- 6.4 Although Amicus agrees that people should be supported and encouraged to obtain employment if they are able to work, compulsion and the reduction of benefits will lead to additional hardship and stress for vulnerable groups of people. In particular, we have concern for those with mental health conditions, where the threat of benefit cuts and compulsion may impede recovery and worsen their condition.
- 6.5 **Instead the Government should focus on the proper funding and resources for the Pathways to Work programme which has already achieved success in supporting disabled people into work, together with policy and action to remove some of the barriers for disabled people in the labour market. In the area of work these include inaccessible workplaces, lack of proper equipment and employer discrimination. Amicus's recommendations for action in this area are detailed in 4.4, 4.5 and 4.6.** It is also important that other barriers for disabled people are considered, including housing, education and transport.
- 6.6 **Equally, it is necessary that those moving from benefits should be able to find a secure job with a living wage.** More attention needs to be given by the Government to the demand side of the labour market and at the quality of jobs people are entering into when leaving benefits. Any assessment for work should include the impact of local labour market conditions, particularly with unemployment starting to rise slightly.
- 6.7 The Personal Capability Assessment is to be reformed with a shifting of the emphasis from assessing the severity of the impairment to their functional capability. This is a move towards the social definition of disability, but ensuring the process is fair and equitable and that those carrying out the Assessment are suitably qualified and trained, is vital for the success of these reforms. It will require extra funding and resources. **Amicus will be unable to support reforms to the Personal Capability Assessments without adequate funding and the retention within the public sector. Assessments should not be carried out by the private or voluntary sectors.**

7 Funding and Delivery of Reforms

- 7.1 **Amicus is concerned, both about the funding available for these reforms, and that the paper has recommended the use of the private and voluntary sectors to provide advice and support for individuals to help them back to work.**

- 7.2 **The DWP budget cuts are a threat to the funding that will be required to implement the reforms effectively.** As an example Access to Work has been under-funded which has resulted in low awareness and use of the scheme amongst employers and workers. Adequate funding would allow better promotion of the scheme which should lead to increased use of the scheme as a resource and funding for disabled people to obtain adjustments and equipment to access and remain in work. If employers were more aware of the scheme they would realise that there is expertise available to help them and cover the costs of any adjustments that may be required. The only funding identified in the paper is £360 million which will be used to expand Pathways to Work. However, additional funding is going to be required if people are to be supported effectively into employment and to remain in work.
- 7.3 We do not support that delivery of reforms should include the provision of services by the private and voluntary sector providers. This is a threat to public sector employment and to the quality of service that will be provided to unemployed people. If agencies and private contractors are bidding for work then there is a danger that they would put in a bid to meet the absolute minimum criteria which could endanger the quality of service provided. It is going to be difficult for the Government to monitor the service if it is not provided by the public sector. The incentives that would be given to contractors may lead to claimants being treated harshly and unfairly and moved off benefits in order that contractors can meet targets. It is also not appropriate that contractors should be given responsibility for making decisions about benefit sanctions.

We would welcome the opportunity to discuss the issues further.

Our contact details are as follows:-

Siobhan Endean	Telephone: 020 7420 8907
Head of Equality	e:mail:siobhan.endean@amicustheunion.org
Amicus	
35 King Street	
London WC2E 8JG	

21 April 2006