

## **ERSA Response to: DWP call for information on assessment models, segmentation categories and mental health support**

This paper has been developed by the Employment Related Services Association (ERSA), the representative body for the employability sector, in response to the Department for Work and Pension's (DWP) request for information on three topics; (a) different assessment models used by providers; (b) suggested methods and categories for segmenting jobseekers; and (c) support models for jobseekers with mental health conditions. This consultation response is aimed at supporting the department with its thinking in relation to Work Programme Plus (WPP) as well as its wider review of the employment support landscape.

### **1. Background**

- 1.1 ERSA has nearly 200 members ranging from large multinational providers through to small specialist organisations. ERSA membership spans the private, public and voluntary sectors. This submission has been developed in consultation with ERSA members, specifically those who currently deliver, or have an interest in the delivery, of employment support provision for jobseekers with complex barriers to employment, including, but not limited to, those with disabilities and health conditions.
- 1.2 To date ERSA has developed two formal documents on future provision: Evolution, not Revolution and ERSA's 2015 Manifesto. In addition, ERSA has led the market engagement for the DWP Work Programme Plus team by running a series of roundtables on key aspects of future commissioning for both primes and subcontractors. The following consultation response is derived from a series of questions posed by DWP officials who attended roundtables focused on supporting the hardest to help. The Department should also note that ERSA is simultaneously undertaking a workstream on the integration of employment, health and skills support. ERSA will provide a further update to DWP on this workstream when it is complete.

### **2. Assessment**

#### *Different provider assessment models*

- 2.1 The existing differential pricing model, which segments jobseekers based on the type of benefit they are entitled to, means that there is no incentive for Jobcentre Plus (JCP) to undertake a more in-depth assessment of jobseekers' needs prior to referring onto a support programme. ERSA members have developed their own assessment models, many of which have consistent features in terms of the criteria used, or the way in which it is delivered. Feedback from ERSA members indicated that prime providers typically carry out an initial assessment at the very beginning of the jobseeker's journey and that this assessment will also take into account the Jobcentre Plus (JCP) Action Plan, usually supplied by JCP. For those providers that are sub-contracting, it was usual that they deliver a second, usually face to face, assessment to reveal any additional barriers and support needs, if possible.
- 2.2 In some instances there may be a warm handover between JCP and the prime providers, and occasionally with sub-contractors, if there is an established relationship. Members reported that where this does happen it has a positive impact on the assessment process, allowing the provider to better understand the needs of the jobseeker and creating a more joined up approach. A warm handover also

helps providers avoid unnecessary duplication of questions, thus improving their relationship and overall engagement with the jobseeker.

- 2.3 The department should also note that, in line with the Government's response to the fifth Independent Review into the Work Capability Assessment (WCA), from mid 2015, data from an individual's WCA will begin to be routinely shared with providers, when an individual moves onto the Work Programme or into the Work Related Activity Group. This information will also be taken into consideration as part of a provider's initial assessment. In both instances it is important that the information shared via the JCP Action Plan and the WCA should be accurate and consistent in order to add value to the providers own assessment process.
- 2.4 Members reported that different assessment models and tools are used at different stages of a jobseeker's journey to work. In addition to the initial assessment delivered by JCP, and possibly the WCA, a prime contractor will deliver their own assessment and if a jobseeker is then referred to a subcontractor, the information is usually shared and a subcontractor may wish to carry out an additional assessment. Assessments delivered at the prime contractor stage varied depending on whether the provider was a managing agent or delivered their own support as well as contracting out. Some models consisted of a contracted out telephone assessment whilst others had an in-house 'client liaison officer', who is the first point of contact for the jobseeker, to carry out an 'employment, health and wellbeing' assessment. Subcontractor assessment models also vary, depending on whether they are prescribed to deliver a similar model to their prime or have designed their own unique model. The second option is often restricted by available resource.
- 2.5 The assessment process is used by providers to consider a multitude of factors, which vary from provider to provider. Broadly however they cover the following areas:
- Health and wellbeing – capability
  - Skills and education – employability
  - Attitudes and outlook – attitude and motivation
  - Debt and money management skills – financial situation
  - Additional related factors including housing, lifestyle and family circumstances
- 2.6 Some use a continuing programme of secondary assessments, to provide further information on specific areas highlighted in the initial assessment. Such an approach allows providers to measure the progress made and review what support seems to be working well. Other members carry out ongoing assessment, but take a less formal approach centred on the development of a strong relationship.

#### *Assessment tools used by providers*

- 2.7 As important as the assessment process itself is the method in which it is delivered. Nearly every response ERSA received to this consultation emphasised the importance of the adviser/ jobseeker relationship and the need to build trust and rapport. Members reported that this approach is essential to identifying support needs that a jobseeker may not be aware of, or willing to reveal, at the first instance.
- 2.8 The tools used by different prime and subcontractors varied. One prime reported using an Initial Profile tool, which is completed during the first appointment and focuses on a jobseeker's strengths and key constraints (debt, and encourages the jobseeker to self-assess. Others used occupational therapists to help design their assessment models and staff training to enhance the skills and competences of assessors, particularly on specialisms or building effective relationships. Members flagged the government mental health toolkit as useful training for advisers to assess mental health support needs, however it is worth noting that this is by no means a replacement for a professional assessment carried

out by mental health practitioner and should only be used to help advisers detect and refer onto health specialists in this field.

**Some of the tools used by providers are listed in Annex 2.**

- 2.9 As well as using an assessment at the early stages, when a person is seeking work, many ERSA members reported using an assessment for when they have found work. One member referred to their 'In Work Sustainability Risk Assessment' tool to identify what in-work support an individual needs, thus maximising the likelihood of them sustaining their employment. At this stage it is important to engage the employer so they can be involved in the in-work support provision available to their employee. Future programmes should consider how employers can be best incentivised in this respect.

*What is effective and what should be improved?*

- 2.10 A day one, holistic needs-based assessment, which recognises the multitude of factors impacting on a jobseeker's employability and capability to work, is considered the most effective type of assessment. This will include collecting information both on a jobseeker's objective and subjective barriers to employment i.e. objective barriers like health conditions or criminal records and subjective barriers like their motivation, confidence and willingness to find work. If an in depth assessment occurs at the beginning of the claim, providers can intervene earlier provided a 'fast track' system is put in place for the hardest to help.
- 2.11 ERSA members also emphasised that assessments, as far as possible, should be asset based and focused on what individuals can do, rather than what they cannot. This approach better engages jobseekers and encourages them to contribute to the support and activities they should undertake following the assessment phase. Engagement is an essential part of the assessment process, as it enables more support needs to be identified earlier in the process and increases the likelihood of jobseekers 'buying into' the resulting support package.
- 2.12 Flexibility should be built into the system to recognise the changing support needs of a jobseeker at different assessment points in their journey into work. Some jobseekers may be deemed relatively easy to help into work at the initial assessment phase, and further into their time on programme, this may change to them being classified as significantly harder to help.
- 2.13 A more systematic collection of data in relation to jobseeker's support needs would benefit providers, government and the jobseeker. Such data could be used to help refine future assessment models, and shape a more accurate segmentation model to ensure pricing structure accurately reflect the intensity of support required.

### **3. Methods and categories for segmentation and progression measures**

- 3.1 Currently segmentation occurs in two ways, primarily by the division into one of nine payment groups reflecting the benefit type of each individual and then secondly by the provider. The provider will perform their own segmentation exercise following their initial assessment. Each provider will segment each individual based on the findings of their assessment. The methods by which they do this vary. One provider highlighted that they use three 'core activity groups', which reflected different types of jobseeker support needs, such as motivational, skills or external such as homelessness or caring responsibilities.

**A table of the different categories providers use for segmentation can be found in Annex 3**

- 3.2 Not all jobseekers with disabilities will experience the same barriers to employment. For some, motivation or low skills levels may be the main barrier to overcome, whilst for others the disability itself may be the primary support need. Similarly, all young people will not necessarily have the same issues

linked to skills needs or lack of in work experience. It is therefore necessary that a future segmentation model sufficiently allows for individual circumstances to be taken into consideration, rather than clustering jobseekers into homogenous groupings based on benefit type or simple demographic profiling.

- 3.3 There is a consensus amongst ERSA members for the need to move away from a benefit type segmentation model; this is particularly the case in the wake of the continued roll out of Universal Credit (UC). ERSA and its members believe jobseekers would be better supported by a segmentation model based on a sophisticated weighting system, which measures the severity of need or barriers experienced by an individual. This would ensure that those with the most severe and complex barriers, who are furthest away from the labour market are given the appropriate resource, and providers are sufficiently incentivised to support them into employment. One provider highlighted that their own assessment had found 20 per cent of their 25+ JSA payment group had very severe barriers and made up part of their hardest to help jobseekers, but the current segmentation by benefit type model did not recognise this in its funding allocation and subsequently the provider was not allocated sufficient resource to cover the level of support they provide to these jobseekers.
- 3.4 The majority of members are also in favour of reducing the number of segmentation groups that exist from nine down to four or five, while simultaneously introducing a greater price differential to recognise broader issues that can surround an individual's unemployment and the financial cost to the organisations involved in addressing them. ERSA believes that such an approach would reduce administrative and bureaucratic burden on providers, while simultaneously ensuring that adequate resource was directed at those who need it.
- 3.5 ERSA and its members support the introduction of progression measures for jobseekers furthest from the labour market to better recognise the steps they have made towards sustained employment. There are differing opinions across the sector as to the shape of the progression measures which the department may want to introduce. Several members suggested progression measures should focus on an individual's self-assessment of their progress using tools administered by DWP to ensure transparency. ERSA recommends further consultation on the exact shape and number of the measures, and also recommends drawing on experience from both the CDLG Troubled Families Programme and the ESF Support for Families with Multiple Problems programme. It is important that the administration of such measures does not overburden the delivery of the programme.
- 3.6 Examples of the type of progression measures which the department may want to consider included:
  - Recovering or successfully managing a health problem
  - Finding suitable housing
  - Overcoming or managing a debt issue
  - Overcoming a skills or language barrier
  - Part time work
  - Volunteering or work experience
  - Gaining a qualification which improves employability prospects
  - Self-assessed outcomes: Jobseekers themselves may be best placed to understand how much progress they have made towards getting a job.
- 3.7 In addition ERSA believes that for those payment groups with the highest level of need, and furthest from the labour market, the department should consider an upfront payment as part of the payment model, to allow providers to invest in more resource intensive specialist support.

#### **4. Mental health and employment support**

- 4.1 Whist the vast majority of ERSA members welcome the principle of further integration, there were a few concerns worth highlighting. Three issues in particular were raised. First was the risk of conflicting service delivery objectives for both health and employment providers. A focus on condition management should not reduce the focus on job searching activity. Second, and related to conflicting delivery objectives, is that health care commissioners may not recognise the importance of employment to improving people's health and equally employment commissioners need to recognise improved health as an outcome, alongside employment outcomes. Third, by receiving proportionately more referrals of jobseekers with a health condition than has historically been the case, providers would need to significantly change the way in which they deliver and the composition of their teams. That said, providers are already moving towards such changes given the rising proportion of ESA referrals.
- 4.2 Some ERSA members are already successfully integrating employment and health support, and reported advantages in doing so. These include creating a streamlined, timelier approach to stop people from 'falling through the cracks' and improving relationships with jobseekers and other practitioners, enabling greater sharing of information. Members currently use co-location, such as hub delivery sites, and IAPT services and signpost to specialist and local partners as well as their own in house counselling services. Much of the support, advice and guidance providers offer jobseekers with mental health conditions is more tailored towards managing the symptoms of the condition. The better alignment of funding and universal recognition of, and engagement with, employment support from key stakeholders including local authorities and NHS services would significantly increase the ability to successfully integrate.
- 4.3 Members reported three main groupings of mental health conditions identified amongst their service users; manageable mental health conditions, spanning across all diagnosis from anxiety to bipolar disorder; severe mental health barriers, including schizophrenia and OCD, which can have a considerable impact on an individual's ability to work or sustain employment if not treated, and undiagnosed mental health conditions, which may present symptoms of which the jobseeker is unaware, or unwilling to discuss with a medical professional. The first and third of which are the most common and all conditions are present across both JSA and ESA jobseekers. All three of these groupings can be presented as a secondary condition or in conjunction with other barriers to employment, so it is crucial to assess an individual for support based upon a full picture of their circumstances, rather than simply in relation to their mental health.
- 4.4 Drawing on the points raised in 2.3 of this submission, ERSA believes that sharing information from the WCA with providers will enable them to understand better and support jobseekers with mental health needs, if they have undertaken the assessment. It is also important that the assessment is 'right first time' and that people with mental health are referred to an employment focused programme only once their mental health conditions have stabilised sufficiently for them to be able to undertake employment or work related activity.
- 4.5 Members also emphasised the important role of ongoing assessment to ensure that fluctuating mental health conditions are recognised and that there is flexibility in the system to adapt the support and conditionality requirements accordingly.
- 4.6 Partnership working was highlighted as a key approach to supporting those with mental health conditions. This included working with mix of VCS, private sector and public sector provision to support jobseekers with mental health conditions on employment programmes, such as Drug and Alcohol Teams (DAATs) and IAPT services; private GP and mental health support services and local authority initiatives. Some members also commented that alternative forms of health and employment support, such as IPS, could be more appropriate than mainstream employment support provision for people with more severe mental health conditions. In addition, members reported offering in-house

counselling services also had a positive impact for jobseekers with mild to moderate mental health conditions.

**A list of partnership approaches can be found in Annex 4**

- 4.7 Some members called for personalised budgets, or the introduction of a ring fenced pot, to fund specialist support for mental health conditions. Such an assigned budget would resource the provision of additional support for the mental health condition, while allowing the provider to continue to work with the customer primarily on areas related to their employability.
- 4.8 ERSA also recommends that future provision should offer the option for a longer period of time on the programme, such as three years, for jobseekers with more severe and unstable mental health conditions to ensure there is sufficient time for recovery, condition management and, crucially for this group, in work support. These instances would also be useful milestones to recognise distance travelled in future pricing models.

**5. Conclusion**

- 5.1 In conclusion, ERSA members are strongly in favour of the introduction of an in depth, holistic assessment of jobseekers support needs from day one of their benefit claim. ERSA and its members believe that such an assessment would be best placed to sit within Jobcentre Plus, at the very beginning of a person's journey to employment. The necessary data sharing protocols should be put in place to ensure the information collected from this assessment can be shared with providers, and a provider should be able to update a jobseeker's record, using their assessment findings. Furthermore, ERSA members are well placed to advise the department on what segmentation and progression measures more accurately reflect the resource required to adequately support all jobseekers. It is clear that there is a wealth of information and expertise on assessment and segmentation amongst the sector and ERSA urges the department to consult widely on models of best practise, with the aim of developing a new, centralised holistic assessment.
- 5.2 In order to best support jobseekers with mental health conditions, ERSA recommends the department evaluates the lessons from current attempts at integration, from a both a commissioning and delivery perspective.

**6. Contact Details**

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## Annex 1. Examples of assessment tools used by providers

### a) GOALS: the importance of the relationship assessing hidden need

Sam was angry at being on the programme and often disruptive during his support session. After getting into an explosive argument with another client, he appeared to have serious behavioural problems such as anger management issues. After taking Sam aside and spending time to establish a trusting and empathetic relationship, his adviser was able to uncover that Sam was carrying a lot of anger. It seemed at first that this was repressed grief as his father had recently committed suicide. However, through spending more time with Sam, listening to what he had to say, the adviser slowly uncovered that he was angry because it has been an abusive relationship but he had never talked about this before and had never expressed his anger at his father. Sam's GOALS trainer sat with him and encouraged him, as part of the GOALS approach, to write an anger letter to his deceased father. Sam did so and broke down with emotion. After writing the letter his adviser said *'he was like a different person; cooperative and pleasant. More often than not when someone presents with dysfunctional behaviour there is usually underlying issues that require time to identify'*.

### b) Criteria used in a provider's assessment

	Criteria
<b>Assessment criteria designed in partnership with a JCA Occupational Psychologist (prime)</b>	<ul style="list-style-type: none"> <li>• Access ; the customers' ability to access meaningful, sustainable positions</li> <li>• Outlook; customer has the aspirations, motivation and insight to move forward</li> <li>• Skills; customer has skills, knowledge &amp; experience valued by local employers</li> <li>• Capacity; the customer having the ability to take advantage of any opportunities</li> <li>• Resilience; the customer has the ability to withstand negative circumstances</li> </ul>
<b>Triage assessment (prime)</b>	<ul style="list-style-type: none"> <li>• Health and wellbeing needs</li> <li>• Employability support needs</li> <li>• Length of unemployment</li> </ul>
<b>Family Assessment tool (prime)</b>	Used to assess a jobseeker's family situation in more depth. This tool explores constraints which sit outside of the jobseekers control and may be impacting their progression, e.g. negative mind sets toward work within the family, reinforcing constraints from health etc.
<b>Subcontractor assessment</b>	<ul style="list-style-type: none"> <li>• health and well-being</li> <li>• attitudes and behaviour</li> <li>• lifestyle</li> <li>• confidence and motivation</li> <li>• aspirations; learning &amp; skills</li> <li>• financial</li> <li>• condition management</li> <li>• lack of recent work experience</li> <li>• additional support requirements.</li> </ul>
<b>Assessment to include homelessness</b>	If issues are detected in an initial assessment, specific criteria should cover: <ul style="list-style-type: none"> <li>• rough sleeping</li> <li>• no fixed address; living in a hostel, refuge, supported housing projects and temporary accommodation</li> <li>• at risk of homelessness (financial problems, landlords and threat of eviction)</li> </ul>
<b>Holistic Assessment used under specialist support</b>	<ul style="list-style-type: none"> <li>• Physical Health</li> <li>• Mental Health</li> <li>• Learning Difficulties</li> <li>• Financial Barriers and Benefits</li> </ul>

<b>programme</b>	<ul style="list-style-type: none"> <li>• Work and Work Readiness</li> <li>• Job Seeking Skills</li> <li>• Skills (and specialist skills)</li> <li>• Interests and Hobbies</li> <li>• Reasonable Adjustments</li> <li>• Self Esteem /Confidence/Overall Personality</li> <li>• Living Skills</li> <li>• Advocacy and Communication Skills</li> <li>• Addiction and Criminal Records</li> <li>• Do they understand E&amp; D ,Data Protection and the Complaints Procedure?</li> <li>• Personal Hygiene/Presentation</li> <li>• Care Coordination</li> </ul>
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### Annex 2 - Different categories providers use for segmentation

Categories	
Three development programmes (Core Activity Groups (CAG)) designed around the jobseekers needs (see categories in annex 2)	<ul style="list-style-type: none"> <li>- Access and Outlook support needs in CAG 1</li> <li>- Skills support needs in CAG 2</li> <li>- Capacity and Resilience needs in CAG 3</li> </ul>
RAG rating (Work Programme provider)	Slow/Middle/Fast lane - distance from the labour market
Categories used on a provider's Work Choice programme	<p>A: Job ready / employer brokerage services (unlikely to apply to many hardest-to-help)</p> <p>B: Require core employability support– heavy PBR-weighting from AME expenditure completely appropriate (perhaps 30% of the group)</p> <p>C: Require significant support to overcome complex, multiple barriers to work. (The majority of the group)</p>

### Annex 3 - Integration of mental health and employment support

ERSA members listed the following partnerships to support jobseekers with mental health conditions:

- Working in partnership with the Centre for Mental Health and Schizophrenia Commission to support Londoners who have severe mental health conditions, such as psychosis, bi-polar or schizophrenia, into work.
- Working with Status Employment in Lambeth to ensure that suitable Work Programme customers are referred onto specialist mental health support.
- Working in partnership with Wing Training, a non-profit social enterprise, to help customers develop positive attitudes towards employment and build confidence through their Launch Pad Project.
- Working with Mayday Trust in Nottingham, a third sector organisation that provides transition and learning ability services, to deliver the Discovering Personal Confidence and Self Awareness programme designed to support customers to manage stress and anxiety.
- Piloting collaboration between providers and Newham IAPT (Improved Access to Psychological Therapies) to enhance engagement between NHS and DWP services.
- Working with local IAPT teams in Kent and Sussex, as part of programme delivery contracted by Clinical Commissioning Groups