



Conditionality and Pathways to Work:
an early examination of mandatory activity for
claimants of health-related benefits

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Conditionality and Pathways to Work

Executive Summary

Pathways to Work is an employment programme which, for the first time in the UK, places conditions on the receipt of health-related benefits; if clients do not attend work-focused interviews (WFIs) they risk a benefit sanction.

WorkDirections has conducted a study to explore the effect of conditionality on the Pathways to Work programme.

Mandating attendance at employment support programmes has led to significant numbers of benefit claimants engaging in employment support and subsequently entering work. However, this research has uncovered some areas for improvement which, if addressed, could positively affect:

- attendance rates to WFIs;
- the accuracy of performance management data;
- the quality of service provided to clients;
- protection from sanctions for clients who are not required to seek work;
- the number of sustainable job outcomes achieved.

This report documents our findings on this subject and makes suggestions for how these improvements could be achieved.

Conditionality

‘Conditionality’ refers to the requirements made of a benefit claimant in return for their continued receipt of benefits and is often referred to as a ‘carrot and stick approach’ as part of a ‘something-for-something’ benefits system. It is closely linked with the ‘rights and responsibilities’ agenda; acknowledging that benefit claimants have the right to high-quality support from Government in securing and retaining sustainable employment, while they are also responsible for doing everything in their ability to secure work for themselves.

Conditionality has been a key feature of Jobseeker’s Allowance (JSA) for the past ten years, with claimants required to actively seek and be available for work. During that time, receipt of other benefits such as Income Support (IS) and Incapacity Benefit (IB), has not been conditional on seeking employment. However, recent reforms have led to a focus on the ‘activation’ of these groups; either by transferring customers on to the JSA regime (in the case of some lone parents), or by increasing conditionality for those on existing benefits, for example, through the Pathways to Work programme.

This year, the Government commissioned Professor Paul Gregg of Bristol University to conduct a review of the role of conditionality in welfare-to-work, exploring how a personalised approach to conditionality might work. WorkDirections has met with Paul Gregg and his team to share our operational experience of conditionality and discuss how we could ‘add value’ to the conditionality debate through our own



research. Following these discussions we decided to conduct a study looking at whether conditionality is currently ‘working’ on the Pathways to Work programme.

Pathways to Work

Pathways to Work is an employment programme which, for the first time in the UK, mandates people claiming health-related benefits to attend work-focused interviews (WFIs), with risk of benefit sanction for non-compliance. The current Pathways to Work programme builds on the success of previous voluntary programmes such as New Deal for Disabled People (NDDP) and Jobcentre Plus-run pilots of Pathways to Work.

In order to achieve the Government’s target of 80% employment in the UK, it is recognised that a further one million claimants of health-related benefits will need to move into employment. Although voluntary programmes with this client group have been successful, they have only reached a small proportion of those eligible for the programme. Conditionality is being applied in Pathways to Work to increase the levels of participation in employment support and move greater numbers of people into sustainable jobs.

WorkDirections has Pathways to Work contracts in six Districts: Central London; Lambeth, Southwark and Wandsworth; City and East London; Birmingham and Solihull; Nottinghamshire; and Edinburgh, Lothian and Borders. We began delivering Pathways to Work to voluntary clients in December 2007, and started receiving mandatory referrals from Jobcentre Plus in February 2008.

There are three client groups on Pathways to Work: mandatory, voluntary, and non-mandatory. Voluntary clients are existing claimants of health-related benefits who have chosen to engage in back-to-work services. Non-mandatory clients are claimants who do not currently have to attend mandatory WFIs but will be required to do so in the future¹. WorkDirections is given their details and may market our services to them, encouraging them to engage voluntarily before they are mandated to do so. Voluntary and non-mandatory clients are not subject to the Pathways to Work conditionality. All mandatory clients are subject to conditionality and are new or repeat claimants of health-related benefits. These clients are referred to Pathways to Work following an initial WFI at Jobcentre Plus.

Benefit conditions on Pathways to Work

Mandatory Pathways to Work clients must attend a minimum of five monthly WFIs with a Pathways to Work provider, as well as the initial WFI with Jobcentre Plus. Attendance at ‘WFI 1’, the first WFI, indicates a client starting the mandatory programme. If a client does not attend a WFI (DNAs) or fails to participate in a WFI (FTPs) then that WFI is rebooked, and the client cannot progress through the cycle until they have attended. For example, if a client misses their second WFI, they will have another ‘WFI 2’ booked, rather than a ‘WFI 3’. A mandatory client cannot

¹ Non-mandatory clients are new and repeat claimants of IB or IS who have not had a mandatory referral to Pathways to Work. This is either because they are considered to have a health condition which means they are not required to seek work, or because they are considered more than likely to secure work in the next 12 months without assistance. These clients will be required to attend a mandatory WFI if they reach three years into their claim, or another ‘trigger point’ such as completing a training course, or reporting a change in circumstance. Under ESA (Employment and Support Allowance), this category does not exist, as these clients will either move onto the support group of ESA (and engage in Pathways to Work as a voluntary client) or claim JSA.



opt out of the process until they have completed a 'WFI 5' interview, at which stage they can stop attending, or volunteer to continue receiving support. There are numerous additional voluntary activities that mandatory clients can engage in throughout the programme; however it is only the WFI cycle that is linked to benefit sanctions.

The introduction of ESA and the role of conditionality

From 27th October 2008, all individuals making a new or repeat claim for health-related benefits will be assessed for the new Employment and Support Allowance (ESA). The first 14 weeks following a claim for ESA are an assessment period, where clients receive a basic rate of benefit equivalent to Jobseeker's Allowance. During this period, a client cannot receive a benefit sanction and is subject to work-focused health assessments to ascertain the impact of their health condition on their ability to participate in work-related activity. By 2013, the Government plans to have reassessed all current claimants of health-related benefits so that they begin to claim either ESA or, if appropriate, JSA.

ESA has two payment tiers, dependant on the results of the work-focused health assessments. Most clients claiming ESA will be in the work-related activity group (WRAG) and will attend the Pathways to Work programme. However, if a claimant has a severe health-condition which means that they would be unable to complete regular work-focused activity then they will enter the support group (SG), receive a higher level of benefit, and not be subject to conditionality. Support group ESA claimants may volunteer for employment support if they wish.

Sanctions only apply to those in the WRAG, and benefits cannot be reduced beyond a minimum which is equivalent to a full JSA payment. This is more lenient than previous Incapacity Benefit sanctions where benefits could be reduced to a minimum payment of 10 pence. All ESA sanctions for non-attendance remain imposed until a client attends a rebooked mandatory appointment.

What can we expect from conditionality?

WorkDirections believes that conditionality can help people into work by engaging clients in employment support. Conditionality can be used effectively to ensure that individuals who are capable of work attend interviews which fully explain their options for receiving employment support. Once referred, it is the role of the provider to encourage and motivate the client to voluntarily engage in additional job search activity. In the case of individuals with recognised health conditions, we believe that it should be attendance, rather than activity, which is mandated. This approach should result in higher volumes of clients participating in support and achieving sustainable job outcomes.

The application of sanctions must be efficient, transparent and fair if it is to be linked to changes in the behaviour and attitude of clients, and in order to ensure that sanctions are not applied as a result of lack of understanding or poor communication. For those who are receiving conditional benefits, the sanctions regime should act to link the cause of the sanction (non-attendance or non-compliance) with the effect (benefit reduction). Currently, there is a time-lag between the act of non-compliance and the implementation of a sanction, which can vary in time from a couple of weeks to over three months. Government research has shown that, particularly when benefits are reduced rather than



removed, clients are often unaware that they have been sanctioned, or do not understand why they have been sanctioned.

The extent to which conditionality can be deemed 'working' on Pathways to Work, therefore, can be measured according to the following: the effectiveness of the implementation of conditionality; the extent to which conditionality affects attendance; and the extent to which conditionality affects job outcomes.

Our research has been based upon quantitative studies taken from our management information system, Resman. This work was substantiated by qualitative research based on interviews and focus groups with our delivery staff, including Pathways to Work advisors, coaching advisors and managers.

How is conditionality being applied?

Most clients who make a claim for health-related benefits will undergo a medical assessment to confirm their entitlement to claim². These assessments should occur prior to a mandatory referral to Pathways to Work. Operational staff have raised the issue that many such assessments are not occurring until a client is further into the WFI cycle; in some cases the assessment does not happen until a client has spent eight to ten weeks on the programme. In the group of mandatory clients we analysed, 250 clients (21.53%) were registered as having left the programme. This is likely to be due to clients no longer being eligible to claim health-related benefits³. There were also seven clients who had originally had mandatory referrals, but were subsequently re-classified as voluntary clients following their health assessment.

This data indicates that as many as one in five mandatory clients who start Pathways to Work should not have received a mandatory referral. If this is the case, there are impacts for the Pathways to Work programme, providers and clients.

Firstly, it means that the conversion ratios measuring mandatory starts to job starts are distorted. If, for example, 20% of clients leave the programme due to a change of benefit, Pathways to Work providers must assist 50% of the remaining mandatory clients into employment to show a 40% conversion rate for mandatory clients entering work. In our cohort of mandatory starts, if we discount the clients who subsequently left the programme, the number entering work is 19.47% rather than 15.16%. If such distortion continues to occur, performance management information, such as the Star Ratings system, will show the programme to be less successful than it actually is.

The referral of mandatory clients who would not have been referred if their health assessment had been conducted sooner unnecessarily raises the caseload size of Pathways to Work advisors. This reduces time and resources that could be used to benefit other clients. Lower caseload size has been recognised by OECD as allowing

² Claimants diagnosed with a terminal illness will be fast-tracked to the support group of ESA.

³ Clients can also leave the programme by moving out of the delivery area. We analysed clients leaving our Employment Zone programmes to ascertain how many clients left the programme due to moving to another area. An average of two clients per week across five Employment Zone offices moved out of the delivery area. However, it is reasonable to expect that this would be lower on Pathways to Work, as the delivery areas are larger. On the Employment Zone a client could move within a city and lose eligibility which, with the exception of London, is not true of Pathways to Work.



advisors to work more closely to the needs and abilities of clients⁴. Reducing caseload sizes by ensuring that eligibility for health-related benefits is confirmed prior to referral to Pathways to Work could, therefore, contribute to improve customer service and performance.

If a provider is successful in moving a client closer to work prior to their work-focused health assessment, it is more likely that the client will lose eligibility for the programme and move onto JSA. This may create a disincentive for providers to work with those who have not yet had their assessment.

Mandatory referrals made prior to the completion of health assessments may lead to unnecessary benefit sanctions, and possible disincentives for clients to seek work. For example, we are aware that there are clients who have received a sanction for non-attendance on Pathways to Work and subsequently had an assessment which exempted them from mandatory WFIs for health reasons.

Conversely, there have been mandatory clients who have been fully engaged in the Pathways to Work process for some time, only to lose their claim to health-related benefits. This has resulted in these clients making a fresh claim for JSA, subsequently losing entitlement to intensive individual employment support and back-to-work benefits for a minimum of six months, while also permanently losing entitlements to some in-work benefits.

Under the new ESA system, clients should not be able to be referred to Pathways to Work without having received their health assessments. However, we do not yet know whether this will be the case. It is vital that this situation is monitored and, if necessary, addressed. This should help to ensure correct performance management data, enhance the service available for clients, and protect the interests of benefit claimants.

Conditionality and Attendance

For mandatory participants on the Pathways to Work programme the condition for receiving benefits is attendance at WFIs. Our analysis of the effectiveness of conditionality has therefore focused on WFI attendance. Once a WFI has been arranged with WorkDirections, there are a number of outcomes that can occur, including the client losing entitlement to benefits, or having the WFI cycle deferred. As a result this study focuses on attendance rates and DNA/FTP rates⁵, which indicate a positive choice by the client to engage or not attend.

What affects attendance?

Attendance levels on Pathways to Work are significantly lower than mandatory employment programmes for non-health related employment programmes. The attendance rate across all WorkDirections mandatory Pathways to Work WFIs is 53.8%; which constitutes a 51.01% attendance rate for WFI 1 and a 55.94%

⁴ OECD (2007) 'Sickness, Disability and Work: Breaking the Barriers - Vol. 2: Australia, Luxembourg, Spain and the United Kingdom'. OECD.

⁵ Attendance rates are calculated using the number of 'WFI attended' actions recorded, on our in-house management information system Resman, as a percentage of the total number of 'WFI booked' actions recorded. DNA/FTP rates are calculated using the combined number of 'WFI DNA' (did not attend) and 'WFI FTP' (failed to participate) actions as a percentage of the total number of WFIs booked. All figures are calculated across all six WorkDirections Pathways to Work contracts.



attendance rate across all subsequent WFIs. This means that nearly half of all WFIs booked never occur due to non-attendance and other factors.

If a client does not attend a WFI without being previously excused from attendance this is classed as a 'DNA' (did not attend). If a client attends the office but does not complete the WFI it is classed as a 'FTP' (failed to participate). A client can receive a benefit sanction for both of these reasons. DNAs and FTPs account for roughly half of the WFIs which do not occur, and around one in five of all WFIs booked. The WFI DNA/FTP rate for mandatory clients is 22.74% for WFI 1 and 19.63% overall. The DNA/FTP rate for voluntary clients is lower at 17.99%.

When a WFI is booked there are several outcomes that can occur. The client could: lose entitlement to health-related benefits and leave the programme; enter work; arrange in advance to re-arrange the WFI; have the WFI deferred for reasons such as being admitted to hospital for a long period; or, in extreme cases, have their WFIs waived. Advisors are not necessarily informed that clients will not attend, and so cannot always reallocate their time to the benefit of other clients. Voluntary and non-mandatory clients, in comparison, have an attendance rate of 72.28% across all interviews booked.

There are many factors, aside from the risk of sanctions, that can affect whether a client attends a WFI or not. Government research has shown that these factors include: not understanding the mandatory nature of WFIs, issues accessing public transport, and the impact of erratic lifestyles or family commitments⁶. Each client will also have their own motivations to attend or not based on their own desire to enter employment and the value they attribute to attending the Pathways to Work process. This explains, in part, why attendance is higher amongst voluntary and non-mandatory clients. Reasons given for non-attendance, including health-related reasons, do not necessarily mean a sanction will not be imposed.

Length of Unemployment and Benefit Type and Attendance

The data for this study refers to a period prior to the introduction of ESA, with 57% of mandatory clients claiming Income Support on the grounds of incapacity (IS), and 40% claiming Incapacity Benefit (IB). IB is a contributions-based benefit that was only awarded to a client if they had made sufficient national insurance contributions in the previous two years. Clients who had not previously been working, or had been claiming another benefit prior to making a claim for health-related benefits would be likely to be in receipt of IS rather than IB.

Our research shows that clients claiming IB as well as clients who have been most recently employed are more likely to attend WFIs than clients claiming IS and those who have been unemployed for longer. It is probable that in each case length of unemployment and benefit claimed are directly linked. It is also possible that there is a correlation between the length of unemployment and the severity of clients' health conditions. This potential link could be explored in further research.

It has been suggested that attendance rates are low due to claimants being unfamiliar with mandatory requirements being placed on their benefits. It is also claimed that whilst clients may understand that they are mandated to attend, they have not, as a group, had sufficient time to establish the routine of mandatory

⁶ M. Mitchell and K. Woodfield, (2008). Qualitative research exploring the Pathways to Work sanctions regime. Department for Work and Pensions - Research Report No 475



attendance. In comparison, it is felt that for claimants of JSA, mandatory attendance is 'ingrained', thereby affecting higher attendance. Those who have more recently been employed may be influenced by their recent experience of having to keep to regular routines and expectations of attendance. It is also possible that a higher number of clients who have been recently employed hold a desire for a swift return to work, and are therefore more self-motivated to attend employment programmes.

Our staff commented that the IB teams at Jobcentre Plus and Benefit Delivery Centres tended to be more aware and informed of the Pathways to Work programme than the corresponding IS teams. Furthermore, they observed that staff turnover at Jobcentre Plus could often lead to the loss of information or focus within an individual referral team. It was felt that this affected the attendance rates of their respective clients. With the introduction of ESA, Pathways to Work providers and local Jobcentre Plus teams need to work together to ensure that all new benefit delivery and referral staff are fully aware of Pathways to Work. This should be an ongoing process to ensure that focus and understanding do not diminish, and that any new Jobcentre Plus employees are as knowledgeable about Pathways to Work as their more experienced colleagues.

Client Characteristics and Attendance

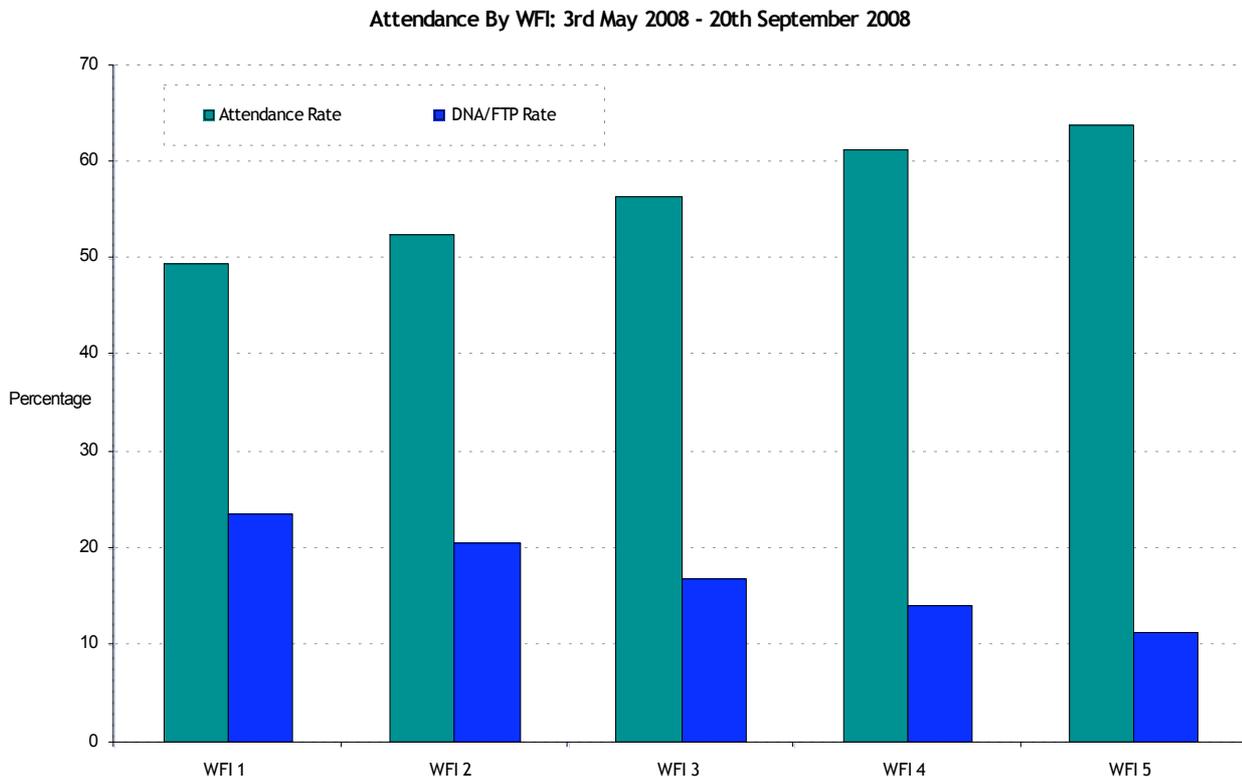
We wanted to explore if client characteristics such as ethnicity or health condition were linked to client attendance. Advisors in our focus group raised the issue that clients often lack understanding of their health condition, and so may unknowingly provide false information which would distort our data, while others prefer not to disclose information relating to their health condition.

A further issue is that data on ethnicity and health condition are recorded by advisors during the first WFI with WorkDirections. This means that we are unable to compile this information for clients who do not attend WFI 1, the WFI with the lowest attendance rate. On other employment programmes, such as the Employment Zones, it is possible to record this data during the telephone referral from Jobcentre Plus. It may be valuable to consider ways in which the transfer of data between Jobcentre Plus and WorkDirections can be improved at the point of referral, so that in the future we could work towards collecting this information prior to WFI 1.



How can attendance be improved?

Attendance is not constant across all WFIs. Rather, as shown below, attendance rates rise and DNA/FTP rates fall as the WFI cycle progresses.



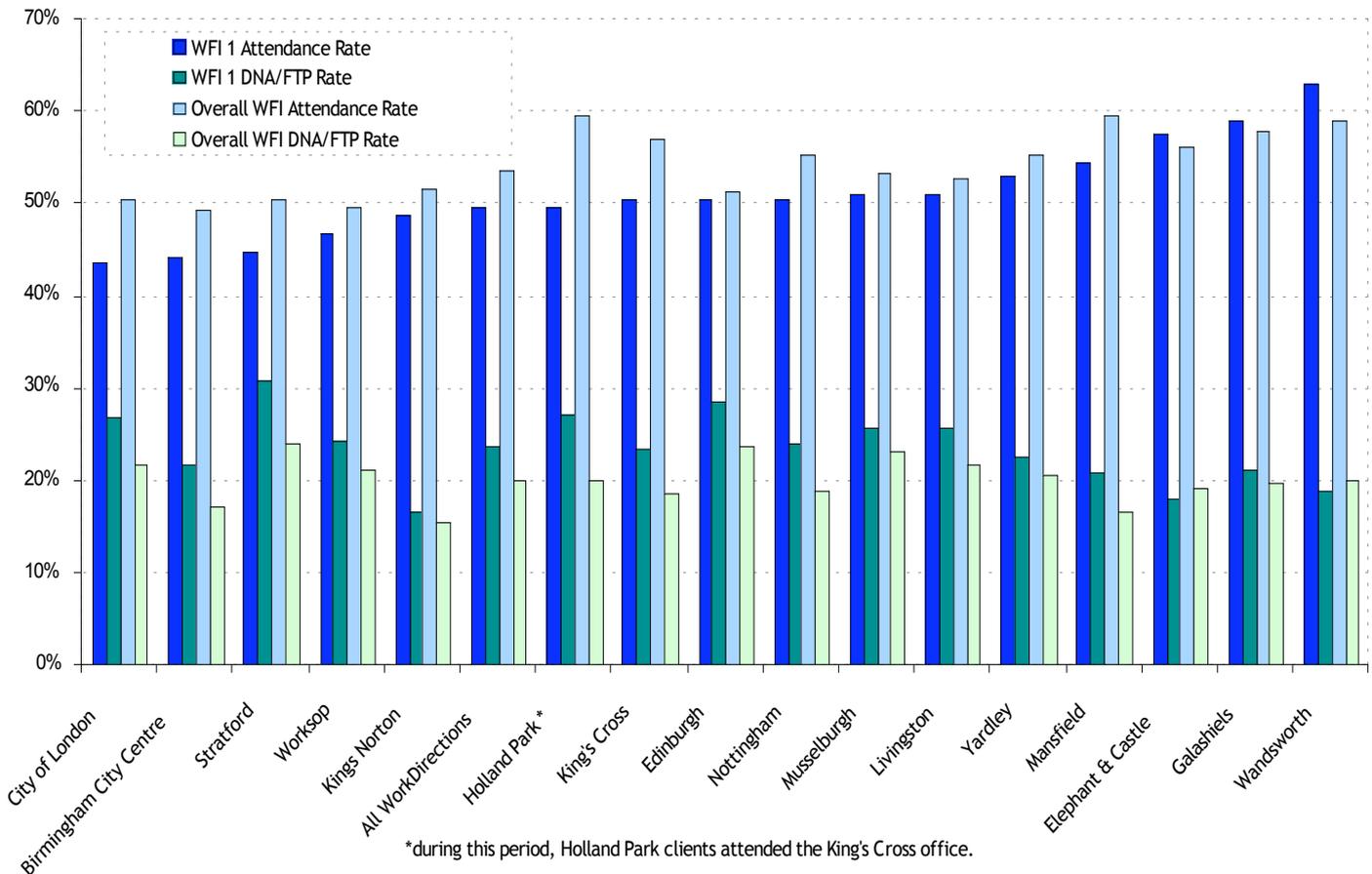
This graph shows that as the programme progresses, mandatory clients increase their levels of voluntary engagement. This is confirmed by the number of mandatory clients who choose to engage on Pathways to Work voluntarily once their mandatory WFIs have been completed. We analysed outcomes of mandatory clients who attended a WFI 1 in the period 31 March to 25 April 2008. Of the 569 clients who completed the WFI cycle without finding work prior to 6 November 2008, 390 (68.54%) were now registered as actively participating in Pathways to Work on a voluntary basis.

WorkDirections believes that while mandatory WFIs for clients can be a useful tool to ensure attendance, it is the role of the provider to engage mandatory clients further. Our experience has taught us that if mandatory clients volunteer to engage this increases their chances of securing sustainable employment. A provider can therefore improve attendance by further engaging and motivating its clients. However, this can obviously not occur if clients do not attend the initial appointment with the provider. For attendance rates to improve generally, attendance at WFI 1 must be maximised first.



Our research showed a noticeable variance in attendance at WorkDirections' offices, particularly for WFI 1:

Attendance by Location: 3rd May 2008 - 20th September 2008



The office with the highest WFI 1 attendance is twenty percentage points ahead of the office with the lowest attendance. We have identified areas of best practice occurring in the Districts with the highest attendance rates which we believe account for the better attendance rates:

- Frequent communication with the client prior to WFI 1**
 In the Wandsworth and Elephant & Castle offices, each client is contacted a minimum of three times between their Jobcentre Plus referral and WorkDirections WFI 1. This comprises: a phone call five days after their Jobcentre Plus WFI, a phone call five days prior to WFI 1 with WorkDirections, and a text message the day before the WFI 1. They also try to ensure that at least one of those phone calls is made by the WorkDirections advisor who will be conducting the WFI. In Mansfield, there is a dedicated Client Liaison and Engagement Officer (CLEO) who is responsible for contacting all clients in the period between referral and WFI 1. The introduction of this role has contributed to a marked improvement in attendance. The value of these interactions are threefold: maintaining the momentum generated in the initial Jobcentre Plus WFI; providing an opportunity to address concerns or anxieties that the client may have about attending; and reinforcing the message that the



appointment is mandatory, and that non-attendance could result in a benefit sanction. Where possible, WorkDirections encourages mandatory clients to attend a voluntary interview prior to WFI 1, thereby reducing the length of time between Jobcentre Plus and WorkDirections WFIs. We would support a move to reduce the time delay between these appointments to encourage higher attendance rates.

- **Telephone referrals during the Jobcentre Plus WFI**
In the District that covers our Elephant & Castle and Wandsworth offices, referrals to Pathways to Work are made over the telephone by Jobcentre Plus while the client is attending their initial JCP WFI. This does not happen in all Districts and some of our offices operate solely on paper referrals. Telephone referrals have the advantage of being able to take into account any prior arrangements that the client has when booking WFI 1. For example, if the client has to attend a hospital appointment. Arranging a WFI at a time that is convenient to the client will obviously raise attendance levels. Similarly, as the WFI 1 is booked with the client present, there is a guarantee that the client knows when the WFI has been booked for. Our experience has shown that clients are more likely to attend appointments when both verbal and written forms of communication are used. Finally, making the referral in this way reinforces that the provider is working in partnership with Jobcentre Plus, and that attendance at Pathways to Work is a continuation of the benefit requirements, rather than a separate entity.
- **Good relationships between Jobcentre Plus and Pathways to Work providers**
Managers from the three offices with the highest attendance rates all cited good relationships with Jobcentre Plus staff as paramount to high attendance rates. This was particularly the case in Galashiels where, due to the geography of the area, attendance may be expected to be lower. Positive messages from Jobcentre Plus regarding the value of attending Pathways to Work and the ability to set clear expectations of the assistance that clients will receive, helps to motivate clients to attend. In Lambeth, Southwark and Wandsworth, relationship-building has resulted in Jobcentre Plus and WorkDirections advisors shadowing each other while conducting WFIs. This has brought about greater understanding of the roles each organisation performs, encouraged the sharing of best practice between respective staff, and resulted in a more joined-up service for benefit claimants.

WorkDirections believes that these examples of best practice in referral processes could be used more widely across all Pathways to Work Districts as a way of increasing attendance at WFI 1. Once clients have attended WFI 1, providers can work with mandatory clients to engage and motivate them, improving attendance rates throughout the mandatory WFI cycle. These changes could add value to the effectiveness of mandating attendance without requiring further reform or extension of conditionality.

Conditionality and Job Outcomes

Pathways to Work uses mandatory WFIs to ensure that clients are engaging in employment services. However, attendance rates are only one measurement of whether conditionality is 'working' on this programme. Clients are mandated to attend so that they can receive the support and advice required to move into sustainable work. The success of Pathways to Work as an employment programme is ultimately measured through the achievement of sustainable job outcomes. It



therefore follows that mandatory WFIs and the use of sanctions should increase the number of clients entering sustainable work.

One effect of conditionality that we cannot measure is the threat of sanctions: we cannot assess the impact this has on a client's choice to attend. However, DWP qualitative studies examining other mandatory WFIs have concluded that while the risk of sanction contributes to a client attending, it is rarely the sole or primary reason for attendance.

What affects the likelihood of job outcomes?

There are a number of factors that affect whether a WorkDirections client finds employment. Our experience has shown that there is a close correlation between high levels of client motivation, attendance and job outcomes. Therefore it is not surprising to discover that voluntary and non-mandatory clients achieve more job outcomes than mandatory clients, given the implicit motivation to work shown in volunteering for employment support and the higher attendance rates at advisor interviews. In the period from 31 March to 25 April 2008, voluntary and non-mandatory clients accounted for 40% of the total number of clients starting the programme; however, they accounted for 60% of the job starts that came from all clients who started in that period.

We recognise that there are other factors that can increase or adversely affect an individual's ability to secure work for example: a client's level of basic and 'soft' skills; the nature of a client's health condition and their ability to manage that condition; the client's work history and length of unemployment; and broader labour market issues. Whilst conditionality does not directly impact these constraints to work, mandating individuals to attend employment support which assists the management of these issues can help claimants to secure sustainable work.

Job outcomes for mandatory clients

Pathways to Work is assisting mandatory clients into employment. Of the 1161 clients who attended a mandatory WFI 1 with WorkDirections between 31 March and 25 April, 176 (15.61%) have so far entered employment⁷, and many more are still actively engaged in work-related activity. In the same period, 723 voluntary and non-mandatory clients joined the Pathways to Work programme, 275 (38.04%) of whom started work as a result of participation.

The Government's goal to assist a million claimants of health-related benefits into work does not specify whether these claimants should be voluntary, non-mandatory or mandatory clients. In addition, we cannot know whether those who achieved jobs as mandatory clients would have volunteered to access employment support had they not been mandated to do so. However, our data shows that mandatory clients, who otherwise may have remained unemployed, are entering and remaining in work as a result of the assistance they receive. Due to the programme still being in its first year of delivery it is too early to know to what extent Pathways to Work is assisting mandatory clients into long-term employment. Future analysis will be needed to reveal the full extent of mandating attendance on the achievement of sustainable job outcomes.

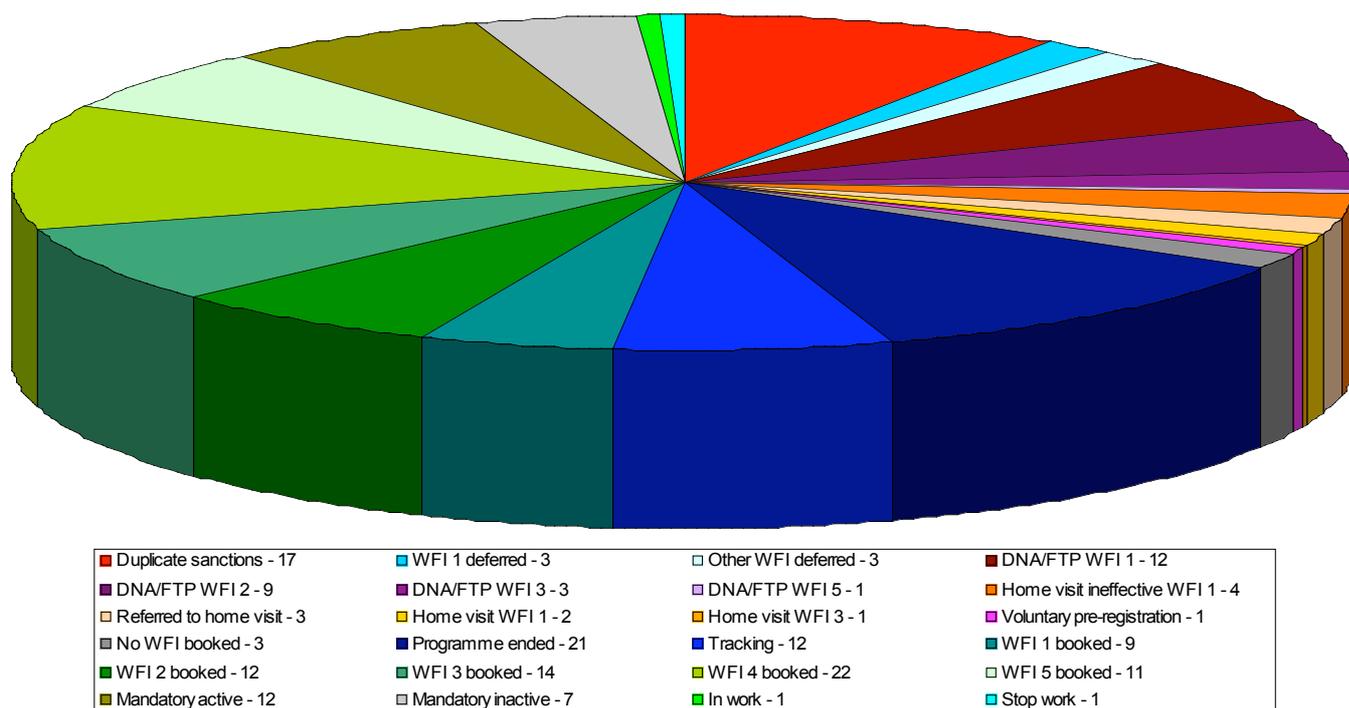
⁷ As stated on our management information system, Resman, on the 6th November 2008.



Job outcomes for clients who have received a sanction

Our data shows that we were informed of 184 benefit reductions for mandatory Pathways to Work clients prior to 20 September 2008⁸. By tracking what stage of the WFI cycle each of these clients was in, we were able to assess the impact of these sanctions on the clients' employment chances.

Client Outcomes Following a Sanction



The numbers on the key refer to the number of clients in each category.

The chart above shows that 17 of the sanctions imposed (9.24%) were second benefit reductions, and 12.5% of sanctioned clients had not yet attended an initial mandatory WFI, suggesting that the first benefit reduction had not changed the clients' behaviour. Encouragingly, the largest single category is clients who have a WFI 4 booked (11.96%), with a further 20.11% having a WFI 2, WFI 3, or WFI 5 booked. This indicates that for some clients the imposition of a sanction has resulted in subsequent attendance. Despite this, only two clients (1.09%) had entered employment, one of whom had subsequently ceased work. We know that attendance and motivation are key in achieving job outcomes for clients, and that those who have received sanctions are not necessarily engaging in the programme fully. However, there is no evidence to suggest that receiving a sanction increases the likelihood of a client entering employment.

⁸ We know that there were more than 184 sanctions applied during this time, but we were not necessarily informed of them. During the same period there were 14,469 mandatory referrals to WorkDirections Pathways to Work and 2,150 referrals for sanction.



Conclusion

Early indications of conditionality on Pathways to Work show that it is 'working' in the following ways:

- Conditionality has increased the number of people on health-related benefits participating in work-related activity.
- A significant number of mandatory clients are moving into work, which will assist the Government in meeting their target of assisting one million people claiming health-related benefits to enter sustainable employment.
- The majority of clients who complete the mandatory WFI cycle are volunteering to continue participating on the programme.

However, other elements of conditionality are not working as well. WorkDirections recommends the following actions to increase the effectiveness of conditionality, both in terms of attendance and job outcomes:

- Steps need to be taken to ensure that clients are only mandated to attend Pathways to Work once their entitlement to benefit has been confirmed through the compulsory health assessments. This should: prevent the unnecessary inflation of advisor caseloads; increase the accuracy of performance management data; and provide a more consistent, high quality service to Pathways to Work clients.
- Sharing best practice and knowledge between Jobcentre Plus and providers can have multiple benefits, including greater advisor and client confidence in processes and higher attendance rates. This can be facilitated by joint training opportunities for staff and by encouraging advisors from Jobcentre Plus and providers to shadow each other when conducting WFIs.
- Telephone referrals made during the initial Jobcentre Plus WFI should be adopted in all Districts. This will help to increase attendance rates at WFI 1 and demonstrate to clients that Pathways to Work is part of the benefits regime and not a separate entity.
- Whilst sanctions have a positive impact on attendance for some clients, this affect is not universal. There is also no evidence to suggest that the imposition of a sanction increases the likelihood of a client entering employment. The role of sanctions in assisting clients to enter work should be considered in future reforms of conditionality.
- Future monitoring and analysis of the conditionality processes and Pathways to Work outcomes should be conducted to give a clearer picture of the impact that conditionality is having on Pathways to Work.

It must be considered that the research in this report is based on the earliest available information for Pathways to Work. We know that in some delivery Districts examples of such best practice are already being implemented and built upon. If Pathways to Work is to achieve its full potential, and contribute towards achieving broader Government targets, continual learning and evaluation of what is 'working' on the programme must continue.



Pathways to Work journey for mandatory clients

