

Pathways to Work Pilots – Interim Evaluation

Report prepared for

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Executive Summary

Introduction

1. This is the report on the interim evaluation of the Pathways to Work pilots in Northern Ireland, commissioned by the Department for Employment and Learning ('the Department'). The Pathways to Work programme (hereafter 'Pathways') aims to improve opportunities for people on incapacity benefits to move into or closer to employment, that is, people claiming Incapacity Benefit (IB), Income Support (IS) on grounds of incapacity or Severe Disablement Allowance (SDA).
2. The Pathways reform package is the Northern Ireland Executive's response to the increase in the numbers claiming incapacity benefits over the last decade. Against a background of rising employment and a sharp decline in unemployment, the number claiming Incapacity Benefit in Northern Ireland has risen from 99,000 in May 1999 to 111,904 by the end of August 2007, representing one in ten of the working-age population.
3. The key elements of the Pathways programme are as follows:
 - More skilled adviser support and help to return to work combined with action planning during the early stages of a claim. In that respect, the Pathways Personal Adviser (PPA) is central to the initiative; and,
 - Easier access to the existing range of specialist programmes plus new work-focused rehabilitation programmes, offered jointly by Jobcentre plus and local NHS providers.
4. The roll-out of Pathways across Northern Ireland began in October 2005 with its introduction in three pilot areas i.e. Ballymoney, Lurgan and Magherafelt (Phase 1). It has since been rolled-out to all Jobs and Benefits Offices in Northern Ireland. The focus of this interim evaluation is on the first three phases of this roll-out which in addition to the three offices above also included: Enniskillen, Newry, and Newtownabbey (Phase 2); and, Falls Road, Foyle, Lisnagelvin and Shankill Road (Phase 3).

Aim and Objectives

5. The primary aims of the interim evaluation are as follows:
 - To examine the outcomes from the Pathways to Work programme.

- To assess how well the programme is meeting (or not meeting) its stated aims of putting into place a comprehensive package of support measures to help sick and disabled clients consider work where this is possible.
6. The objectives of the evaluation are as follows:
- Examine the **effectiveness** of the component parts, and combinations of component parts, of Pathways to Work in moving client groups through and out of incapacity benefits and particularly into work. This should incorporate a comparison of pilot versus non-pilot areas and the pre/post Pathways position in pilot offices.
 - Examine the **experiences of clients** in Pathways to Work areas especially the benefits of (and uptake of all 6) work focused interviews and the extent to which clients avail themselves of the assistance that is offered to them.
 - Assess the effectiveness of **the Personal Adviser intervention**, including arrangements for their preparation, training, ongoing development and support.
 - Assess how the **partnership arrangements**, both internal and external are working on the ground and how they are established, maintained and supported by HQ branches.
 - Assess the **fiscal benefit** (or otherwise) of Pathways to Work.
 - Assess the programme in terms of **equality of opportunity and good relations**, and seek to identify any adverse effects.
 - In respect of any recommendations made, assess whether there are any **likely impacts on equality of opportunity or good relations**. In doing so consultants may recommend measures to mitigate any adverse impacts.
 - Identify examples of **best practice**.
 - If appropriate suggest **improvements/changes** to the operation of the initiative.

The Pathways Process

7. The Pathways process involves a series of Work-focused Interviews (WfIs) combined with voluntary participation in a range of provision,

collectively referred to as “Choices”, aimed at improving labour market readiness and removing barriers to work.

8. All clients making a new claim to an incapacity benefit must attend a work-focused interview (Wfl) with a Pathways Personal Adviser following the eighth week of claim. The PPA could defer or waive an interview where, in their opinion, it would not be of benefit to the client at that time.
9. At the initial Wfl, a statistical profiling technique known as the screening tool was applied to all clients except those who are exempt from the Personal Capability Assessment (PCA)¹ or claiming National Insurance credits only. The screening tool aimed to classify individuals according to their likelihood of exiting from IB within one year. Those screened in as needing help to exit IB were required to attend up to five further Wfls. Those who were screened out could participate on a voluntary basis.
10. The range of provision in which Pathways to Work clients could participate include: the New Deal for Disabled People (NDDP), Return to Work Credit (RTWC), Condition Management Programme (CMP), Work Preparation Programme (WPP), Adviser’s Discretion Fund (ADF) and incentives such as Permitted Work and benefit linking rules.
11. The most novel element of the programme is the introduction of the Condition Management Programme (CMP), which is only offered to Pathways participants. Operated in partnership with local health providers, the CMP seeks to help clients to better understand and manage their conditions to enable them to return to work.
12. Clients may also opt for the Work Preparation Programme (WPP), which offers supported work experience aimed at helping the participant to build up confidence and gain work skills while having one to one support on a work placement.
13. The Return to Work Credit (RTWC) is also only offered to Pathways participants. The aim is to make more people financially better-off in work and to make the financial transition easier. It is available to anyone leaving an incapacity benefit for paid work of at least 16 hours a week.

¹ In order to satisfy the requirements for receiving an incapacity benefit most clients must undergo a Personal Capability Assessment (PCA) which should be completed within 12 weeks of the claim being made. Some clients are exempted from the PCA requirement if their illness or disability is such that they meet the threshold for incapacity without the need for a medical examination e.g. the individual is in receipt of the high care component of Disability Living Allowance (DLA).

14. In the Pathways pilot areas, the requirements for participation were as follows:
- In all Pathways areas, participation in at least an initial Pathways Wfl was mandatory for new/repeat customers (flows).
 - In Pathways phase 1, participation was mandatory for pre-existing claims made between 03 October 2003 and 02 September 2005 (mandatory stocks).
 - In other Pathways areas, participation was voluntary for all pre-existing claims (stocks).

Approach

15. The approach to the evaluation combines a range of research methodologies in order to provide different perspectives and insights into the performance of Pathways in its initial phases. The main elements of this research approach are as follows:
- **Desk research** including a literature review, survey design and sampling methodology.
 - **Key Informant Interviews and Workshops** with both internal and external stakeholders. A list of consultees is set out in Chapter 8.
 - **Focus Groups** with Pathways Personal Advisers (PPAs) and Disablement Employment Advisers (DEAs).
 - **Face-to-face in-depth interviews** with Pathways clients (36).
 - **Analysis of administrative data** supplied by DEL and DSD.
 - A **telephone survey** of 1,500 Incapacity Benefit claimants, including 600 new or repeat customers (flows) and 300 pre-existing customers (stocks) in Pathways areas and 600 customers in non-Pathways areas as a comparator group.

Conclusions

16. The main headings under which the conclusions are presented reflect the specific objectives of the evaluation, as listed above.

Effectiveness

17. The overall effectiveness of Pathways was assessed in two ways:
- Statistical analysis of flows off IB based on administrative data.
 - A survey of participants on Pathways, including both Pathways stocks and flows and a comparator sample of non-participating IB flows.
18. In the Pathways phase 1 area it was possible to calculate 18 month off-flow rates for claims that commenced in the six months immediately following the pilot rollout (October 2005 to end-February 2006). The estimated Pathways effect was +8 percentage points i.e. after 18 months, the proportion of claimants who had left IB following the launch of Pathways was 8 percentage points higher compared to what would have been expected in the absence of Pathways.
19. The finding for the 18-month off-flow rate reflects positively on the effectiveness of Pathways to date. However, at this interim stage, it has only been possible to observe the 18-month effect for the first six months in the Phase 1 pilot. It is not possible therefore to draw a definitive conclusion as to whether the 18 month effect observed for the phase 1 pilot can be generalised as a sustainable impact of the Pathways programme that will be replicated in other areas.
20. The analysis of off-flow rates does, however, provide firm evidence that one of the additional benefits of introducing Pathways was to at least bring forward exits from IB that would have occurred anyway, but at some later date. This is the Pathways timing effect, that is, stimulating IB off-flows earlier than would otherwise be the case. The timing effect of Pathways would appear to vary by geographical area, being weaker in the Phase 3 area (Falls, Shankill, Foyle and Lisnagelvin) than in the earlier Phase 1 and 2 areas.
21. Regarding participants' outcomes, Pathways was found to increase the probability of being in work or having a job lined up by seven percentage points. No significant effects from Pathways were found in relation to average earnings, job search, receipt of benefit and health outcomes.
22. These findings would suggest that the main effect of Pathways to date has been to encourage a faster movement into work among those who are ready to make the transition. While equally likely to be in receipt of

benefit, the comparators were found to be less likely to move into work as quickly as Pathways participants.

23. Positive outcomes have, to date, been slowest to materialise for clients whose participation in the full Wfl process has been mandatory i.e. the screened-in flows and the mandatory stocks. But these clients are in that position precisely because of their 'distance' from the labour market.
24. Considering those flow clients who had been screened in at their initial Wfl, and hence whose participation in follow-up Wfls was mandatory, the survey results showed a higher employment rate among those who had participated in 1+ follow-up Wfls compared to those with one Wfl only. Partly, this would appear to reflect the fact that the latter group also had the highest share of the more recent IB claims amongst those surveyed. Nonetheless, the difference would suggest that the follow-up Wfl process is pointed in the right direction in terms of helping those who are furthest from the labour market.
25. Both for the stocks and the flows, those who took up one or other of the choices available to Pathways participants tended to report more favourable outcomes than those who did not.
26. The majority of those receiving RTWC said they would have been in the same job anyway. Considered as an incentive for getting people into work, the survey findings point to a low level of additionality in the RTWC. There is, therefore, a need to consider the role and position of the RTWC in the Pathways initiative. The report returns to this issue in making recommendations for the programme.
27. Those who reported having taken up the CMP were less likely to be in employment as compared with those taking up the WPP and, especially, the RTWC. These differences are not unexpected since the CMP is specifically focused on the Pathways client group that is furthest from the labour market due to their health condition.
28. Based on respondents' perceived efficacy of different choices within Pathways, those who took up the CMP were the most likely to ascribe positive outcomes entirely or partly to the programme. This would suggest that there is a higher level of additionality associated with the CMP by comparison with the WPP, RTWC and other help.
29. There is also evidence of a Pathways effect in encouraging people into work. Pathways participants were significantly more likely than their comparators to mention having received help or advice before starting their main job (finding a vacancy, completing an application, etc).

Experiences of Clients

30. In the period from commencement through to end-September, one in four new/repeat IB customers participated in one or more follow-up Wfls. The mandatory element was the key driver in stimulating participation in follow-up Wfls.
31. There was also a substantial level of voluntary participation. One in four of the new/repeat customers who attended an initial interview and were screened out went on to attend 1+ follow-up Wfls, indicating an appetite also for voluntary participation to avail of the Pathways offering.
32. Participation was much lower among the stocks. One in eight mandatory stock claims participated in 1+ follow-up Wfls. In other Pathways areas, when measured relative to the total number of IB stock claims, the participation rate was less than one per cent.
33. To date, only a minority of clients have attended the full set of five follow-up Wfls. Amongst the flows, of those who attended 1+ Wfl, fewer than one in eight had attended three or more Wfls by end-September 2007.
34. Amongst the new/repeat IB flows with whom contact was made (1+ Wfl arranged), almost one in five had taken up one or more of the Pathways choices by end-September 2007. In general terms, the RTWC was most likely to be taken up by those whose participation in the follow-up Wfl process was voluntary i.e. the screened out. As the screened out are also those closest to the labour market, the survey findings that the RTWC yields relatively low additionality as an incentive into work would suggest that there needs to be better targeting of take-up of this option.
35. By contrast, take-up of CMP was highest among those for whom the follow-up Wfl process was mandatory. New/repeat IB flows who were screened in accounted for 65 per cent of all new/repeat IB flows taking up CMP through September 2007. The picture was similar amongst the stocks.
36. The qualitative evidence with regard to client experiences was largely positive although in a survey of this type there is a degree of self-selection and it may be that those who were best disposed towards the programme were more likely to participate.
37. The vast majority of our interviewees were positive about their experiences on Pathways. The testimony with regard to CMP from those with mental health problems such as stress, anxiety and depression was highly positive with a number stating that it had made a major difference to their lives. The RTWC was also seen positively as helping with the transition back into work, although it was clear that

most if not all of those receiving RTWC would have gone back to work anyway.

Personal Advisers

38. The evidence from our qualitative interviews with clients and also from our client survey indicates the pivotal role of the PPAs. In the qualitative interviews, in particular, the clients felt that the PPA was the most important element within the Pathways programme and were very positive about the assistance and advice they offered to them. It was also our opinion from the PPA focus groups that this is a highly motivated group who are trying to make a genuine difference to their clients.
39. The main issue for PPAs in terms of training was the absence in their opinion of training on the information management systems and general administration of the programme. Discussions with the PPAs would suggest that there are two elements to this problem. The first was the basic absence of the training. The second, and more fundamental, is their view that the information systems are simply not designed for the work that they do and as such the process is largely ad-hoc and hindered rather than helped by the IT systems in place.
40. A number of PPAs also felt that it would be useful if they had more training on “decision making” along the lines of the training that SSA staff receive. A number of PPAs who were ex-SSA said that they found their previous training very useful when dealing with issues around the use of sanctions.
41. The provision and updating of the programme guidance was also an issue for PPAs in terms of efficiency. They felt that the current guidance was difficult to navigate and was frequently unable to answer many of the queries they had. There was also a sense that even when they did receive a response to a query that this was not captured in the guidelines and the next person who came across the same problem would also have to go looking for their own response to the query. This often led to different and conflicting responses to the same query depending on who gave the guidance. There is clearly a need to collect and codify these responses as the queries arise. This is likely to be most easily achieved if an individual within DEL is designated as the first point of contact for all queries.
42. There were also issues in some offices with regard to the decision making autonomy of the PPA in terms of which elements of choices they could use for whom and when. Team leaders were interpreting the guidance differently in different offices leading to some frustration as PPAs are aware of the practices in other offices from their regular meetings. More fundamentally, the PPAs felt that it was very difficult if not impossible for Team Leaders to make decisions about individual

cases because only PPAs had the in-depth knowledge of the client and their situation.

43. In relation to the “Choices” menu there were some isolated problems with CMP with the PPAs in a few areas feeling that some of the occupational therapists were highly selective in whom they chose to work with. To support this they gave evidence with regard to the number of referrals they had made and the very low proportion that were accepted onto CMP.
44. There were more fundamental problems with WPP, with PPAs in some areas feeling that the provision was simply not good enough. In particular they felt that providers had not developed extensive enough networks with local employers and consequently they had only a very limited offering. There also seemed to be simply a lack of contact with WPP providers in some offices. There were exceptions to this and where they existed it was put down to the fact that they did have the employer networks.
45. In terms of the Pathways provision, there were a number of issues raised by PPAs. The first and most glaring is the lack of a training option on a programme which is dealing with people who may not be able to continue in their previous employment and therefore have a clear need for retraining.
46. The other area where PPAs felt there was an urgent need for some form of intervention was with regard to alcoholism and drug usage. It is worth noting that in our sample of 35 clients for the qualitative interviews six had problems with alcoholism.
47. One final issue in terms of provision which particularly applies to clients with mental health problems is the need for some form of referral system when clients present with what the PPAs perceive as severe mental health problems. This is particularly acute where the problems relate to self-harm and at the most extreme threats of suicide.

Internal Partnership Arrangements

48. The internal partnership arrangements have on the whole been working very well. The PPAs and other DEL staff were generally very positive about the support and guidance they received from their SSA colleagues, although there were some clashes in terms of what was perceived as the different organisational cultures.
49. The PPAs were also very positive about the networking opportunities provided to them in terms of meeting up with their colleagues from other offices and they felt that these meetings and the “buddy” system that was introduced had gone a long way in dealing with some of the frustrations in new pilot offices. Being able to talk to someone in one of

the earlier pilot offices who had been through this process was seen as very beneficial.

50. The one frustration in terms of the role of HQ branches has already been touched on earlier with regards to guidance and that was the failure to provide a co-ordinated response to queries arising. The PPAs were able to give a number of incidences of conflicting advice from different HQ branches and clearly systems need to be put in place to ensure that this process is co-ordinated and decisions communicated to all.

External partnerships

51. In relation to the "Choices" provision these generally worked well, particularly with CMP when there was regular contact between the PPAs and the occupational therapist (OT). It was felt essential that the OT should call into the JBO at least twice a week and the ideal scenario was where some of their work was carried out in the JBO.
52. The situation with WPP providers, while generally less positive, was exactly the same with those providers who visited the JBO regularly and met clients in the JBO being viewed much more positively than those that operated at an arms length.
53. The biggest issue going forward in terms of partnerships is to broaden them outside of providers. In particular, there is a need to build much better partnership arrangements with employers. There are also other opportunities to be explored in working with voluntary organisations which may have considerable experience in dealing with some of the issues that clients on Pathways face.

Fiscal Benefit

54. The approach taken to assessing the financial benefits of Pathways has been to adapt the relevant findings from the cost-benefit analysis of the GB pilots reported in Adam *et al* (2008). The estimated financial benefits are then compared with expenditure on Pathways as a basis on which to assess the fiscal benefit of the programme.
55. To reflect the inherent uncertainties, a range of estimates have been prepared, on a conservative basis. The conclusion drawn is that, on balance, the benefits from Pathways are on track to exceed programme costs.
56. This conclusion should be viewed as an indicative, rather than definitive, assessment, due to the uncertainties that are inherently involved in estimating financial benefits.

Equality of Opportunity

57. No adverse effects were found in relation to the categories of gender, marital status, dependents and religion. Significant differences in outcomes were found by age and health/disability. These differences are likely to reflect the barriers that people with disabilities and those aged over 50 face in making a transition from being on benefits to being off work.
58. As Pathways is specifically focused on helping people overcome the barriers posed by health and disability, it can be viewed as making a positive contribution to equality of opportunity.
59. As the employment effect from Pathways was weakest, and significantly so, for those aged 50 and over, it would appear that this group may need more focused assistance than is presently the case.
60. Regarding take-up and participation, participants reporting a health problem that limits their daily activities a great deal were found to be under-represented among those taking up the WPP, the RTWC and Jobcentre services (i.e. the use of job search resources such as the internet, directories, phones). Their participation in CMP was on a par with the Pathways average.
61. Participation in the nearer-to-market WPP and RTWC can be viewed as reflective of the constraining effect of health conditions and disabilities. However, it would appear that there is room for improvement in facilitating access to, and participation in other activities such as CMP and Jobcentre services.
62. Regarding the good relations issue, the following points can be noted. First, there were no significant differences by religion in participation, take-up or outcomes. Second, there is a strong social inclusion component in the rationale for Pathways. This was recognised by rolling the programme out to the most deprived areas in Northern Ireland at an early stage in the initiative. Given the geographical pattern of deprivation, this meant that the first three Pathways phases inevitably had a higher Catholic share by comparison with the NI average. This was warranted in terms of enhancing the anti-poverty thrust of the Pathways initiative. However, the programme has now been rolled out across Northern Ireland.
63. For both of the above reasons, it can be concluded that Pathways has not had adverse impacts on good relations. It can also be noted that good relations was not raised as an issue in any of the consultations undertaken for this evaluation.

Best Practice

64. On the outcome side, Pathways has performed at least as well in Northern Ireland as in GB, in the following respects:

- Stimulating off-flows from benefit. Northern Ireland has performed at least as well as GB on that front. Indeed, there is evidence to suggest that Northern Ireland has been more successful in stimulating off-flows from IB.
 - Moves into employment. The estimated employment effect for Northern Ireland is almost identical to the finding for the Great Britain pilot reported in Bewley *et al* (2007).
65. Northern Ireland has also performed at least as well as GB in relation to participation and take-up of choices.
66. In terms of the implementation of the Pathways Pilots the most successful initiative was the use of a “buddying” system between PPAs in offices that had already implemented Pathways and those that were in the process of rolling it out. This initiative was highly praised by the PPAs and is something that DEL should look to utilise in the roll-out of any new programmes in the future.
67. The other element of best practice in the roll-out of Pathways relates to the relationships with “Choices” providers. It is clear that where there is frequent contact between the providers and the PPAs the relationships are better and more importantly the programme itself seems to work much better due to the interchange of information between provider and PPA. In the future an element of the contract for “Choices” provider should include a minimum amount of time spent meeting with PPAs and preferably running “clinics” with clients where possible in JBO offices although clearly there may be space restrictions in some locations.

Summary

68. The focus of the Pathways programme is on those with mild-to-moderate conditions who are capable of entering or re-entering the labour market in the near to medium-term. The rationale is to mitigate the risk that increasing duration on incapacity benefit may erode their capacity to enter employment. Within that context, the programme design correctly recognises that clients span a wide spectrum in terms of closeness to the labour market and their levels of preparedness and/or suitability for a (faster) return to work.
69. The programme design reflects this employability spectrum in two key respects:
- Flexibility.
 - Mixture of provision.

70. The flexibility in the programme resides in the application of the conditionality principle: participation is mandatory for some, but not for others. Participation in choices was entirely voluntary.
71. The flexibility in the programme is complemented by aligning the mixture of provision to the spectrum of employability. This is most apparent in the choices available to Pathways participants:
- CMP is designed to meet the needs of those falling within the scope of Pathways but who are furthest from the labour market.
 - WPP enables participants at an intermediate stage to get a feel for being (back) in work and building confidence.
 - RTWC provides the 'near-market' dimension, being aimed at participants who are ready to return to work.

Recommendations

72. The recommendations are presented under the following headings:
- Effectiveness.
 - Experiences of clients.
 - Pathways Personal Advisers.
 - Partnership arrangements.
 - Equality of opportunity.
 - Good practice.

Effectiveness

73. While the focus of the programme is well-grounded, and the overall programme design is relevant and appropriate, there are still challenges to be addressed in enhancing effectiveness. The recommendations for enhancing effectiveness are as follows.
74. **Recommendation 1: A more proactive approach to managing and promoting progression by clients.** Albeit the Pathways programme is at a relatively early stage, there is as yet no evidence to suggest that progression is 'managed'. As the available choices are aligned with the anticipated spectrum of clients' proximity to the labour market, the mix of provision provides an opportunity to ensure that clients can be encouraged to progress closer to the labour market through their take-up of choices, *depending on their initial starting-point*. A number of

factors will need to be considered in adopting a more proactive approach to managing progression, as follows:

- Establishing the client's starting position.
- Action planning. In the case of those clients who are starting from a position where they are relatively 'distant' from the labour market, a more progression-focused approach should be adopted.
- Supply of choices. The Department needs to ensure that the CMP and WPP, which are complementary supports for Pathways clients, are available in all Pathways areas at levels that are consistent with the needs of clients. For that reason, it would be useful for the Department to undertake an exercise to assess the extent of geographical variations in the availability of CMP and WPP and develop an action plan to ensure that any such variations are ironed out.

75. **Recommendation 2: Introduce a training option to the Pathways menu of choices.** Given the rationale for Pathways in trying to help people back into work, there will be some who are unable to do the work that they previously did and for whom (re)training may be essential. It is therefore recommended that the Department should introduce an option for training to enhance the extent to which Pathways can deliver a comprehensive package of support.
76. **Recommendation 3: More targeted use of the RTWC.** The evaluation evidence suggests a high level of deadweight in the use of the RTWC as an incentive for getting people into work i.e. participants entering jobs when this would not otherwise occur. There is therefore a need to ensure a more targeted use of the RTWC option, in two respects.
77. First, for those who are furthest from the labour market, the RTWC can serve as the 'near-market' component in an approach that aims to enhance or lever progression along the Pathways choices. This emphasises the role that RTWC can play in providing a path-to-work.
78. Second, for those who are closer to the labour market (e.g. those who are screened out at the initial Pathways Wfl) it will be necessary to ensure that an award of RTWC is more firmly justified in relation to the objectives of Pathways. This would emphasise the objective of encouraging a faster return to work.
79. **Recommendation 4: Further research into the impact of the RTWC.** The potential contribution to *sustaining* recipients' return to work has been highlighted by research into the use and experience of the RTWC

in the GB Pathways pilots. As the RTWC accounts for a substantial proportion of programme spend, it would be useful to obtain a better understanding of the impact of the RTWC in the NI context.

80. Recommendation 5: The development of an intervention to assist those clients who are dealing with alcohol and drug abuse problems. It was felt by the PPAs that for a substantial minority these problems were an additional barrier to employment over and above the condition for which they were currently claiming IB. In many cases it was seen as the key barrier to accessing employment. (para 8.104, 9.32)

Experience of Clients

81. The qualitative feedback from clients indicated that their experience of the programme has generally been quite positive. There are, however, a number of issues to be addressed in the way forward.
82. **Recommendation 6. Need to provide a system of medical referral** to enable PPAs to refer clients whose conditions they believe are severe and require medical intervention. This was a major concern for PPAs with some clients presenting with problems, particularly mental health issues, which appeared to the PPA to be more severe than the JB3 or PCA would lead them to expect. At the most extreme a number of clients have in discussions with their PPAs threatened suicide, clearly, in these instances some form of referral is essential. (para 8.98–8.103)
83. **Recommendation 7: Develop a means to establish clients' degree of closeness to the labour market.** In the Pathways pilots, a screening tool was used to classify clients according to the likelihood of making an exit from IB within 12 months. With the introduction of the Employment Support Allowance (ESA), clients will no longer be screened in or out. Nonetheless, there is a need to develop a means to establish the client's starting position in terms of proximity to the labour market, to help in the identification of routes through Pathways that are most appropriate to the client's needs.
84. Recommendation 8: DEL should undertake a detailed review of the CMP to determine ways of improving the effectiveness of the choice. The evaluation evidence suggests that, in the main, the CMP is providing appropriate and relevant help and assistance to clients. There is, however, room for improvement. In particular, a recurring theme in the consultations and qualitative interviews was that the 12-week maximum is too constraining (paras 8.73, 9.26). A maximum is useful, because otherwise there is an incentive for 'open-ended' use. But need has a distribution – some will need less than 12 weeks, others will need more than that. It was also apparent that there are geographical variations in access to the CMP (para 8.72). Thus, in undertaking a review of CMP, DEL should seek to determine:

- The appropriateness of the 12-week maximum and whether there should be greater flexibility in the duration of assistance offered to clients.
 - The criteria for selection onto the CMP and whether these need to be made more explicit so that there is less variability in take-up.
85. **Recommendation 9: Improved monitoring of participants' patterns of participation on the Pathways programme.** Ideally, for the purposes of this evaluation, the DEL management information systems (MIS) should have facilitated a classification of clients' Wfls into those associated with IB stocks and flows with a further distinction between voluntary and mandatory. However, this proved more difficult than expected (paras 4.10 to 4.15). The following issues will need to be addressed to improve the availability of data for monitoring and evaluation purposes:
- Refine the coding classification for Wfls, distinguishing at a minimum between stocks and flows and mandatory versus voluntary.
 - Ensure that key indicators can be monitored, including the indicators discussed in Section 4 of this report.
 - Ensure that PPAs are fully aware of the need for accurate and consistent coding of clients' participation on Pathways.

Personal Advisors

86. Our research has clearly demonstrated the central and crucial role that PPAs play in the delivery of the Pathways programme. A central question going forward must therefore be how can they be best supported to enable them to carry out this role. In this context we would make the following recommendations.
87. **Recommendation 10: the Department should review the current IT systems and tools being used by PPAs** to ensure that they are appropriate to meet their needs and to provide the management information required to assess the cost and impact of the programme. The present system appears to be sub-optimal in both regards with major issues being raised by PPAs and problems in bringing together management information to give an accurate picture of the impact of the programme. (para 8.24)
88. **Recommendation 11: the balance of training between soft client skills and core administrative skills should be rebalanced** to some extent for new PPAs. Whilst the PPAs generally found their training in

the soft skills useful they all found the lack of training on systems and processes led to major frustrations when they took up their new posts. (Para 8.23 – 8.26)

89. **Recommendation 12: The PPAs should be provided on an ongoing basis with refresher courses to improve their skills and understanding of the Programme.** Given the central role of the PPAs as discussed above it is vital that their skills are kept current and augmented as appropriate by ongoing training and development. Such training will also help to maintain the current high levels of enthusiasm amongst PPAs. (para 8.23-8.29)
90. **Recommendation 13: Need to review the content and scope of the Pathways guidance** to ensure that it meets the needs of those delivering the programme. PPAs felt that the guidance documents provided was difficult to use due to their size and structure. They would like to see something more succinct. They also felt that many of the changes that occurred as the programme developed were not captured in the guidance and therefore had to be constantly revisited. Going forward, it will be important to ensure that systems are in place to keep the guidance up to date with any changes in policy or process. (para 8.61-8.64)
91. **Recommendation 14: A co-ordinated approach to responding to queries from Jobcentre staff should be developed.** The PPAs and team leaders on occasion found themselves getting different guidance on the same issue from different branches in DEL HQ and on occasions from the SSA. There is clearly a need, particularly for pilot programmes, to establish a single point of contact within DEL HQ to whom all queries should be forwarded and who would ensure that the responses were then circulated to all offices and captured in the guidance.(para 8.18–8.20)
92. **Recommendation 15. A psychological support service should be provided to PPAs** to help them to deal with the impacts of some of the more difficult cases they have to deal with. As mentioned above a number of PPAs have had to deal with threats of suicide from clients that caused them considerable anxiety. Even outside these more extreme cases PPAs often have to listen to harrowing stories in terms of client's life and health experiences. Some form of counselling should therefore be made available to help PPAs when they have to deal with issues of this nature. (para 8.44-8.47)
93. **Recommendation 16: Offices should where possible have interview rooms available to allow PPAs and clients to discuss personal issues** around the client's health and other personal barriers to work. While this degree of privacy is not always required issues do arise in the WFI process that require privacy and space permitting these discussions should be held in a private room. Both PPAs and clients

highlighted concerns about the personal nature of some of the issues that were discussed. There are also however issues regarding the PPA's safety and the decision on whether or not to use such facilities if available should always be at their discretion.

Partnership arrangements

94. **Recommendation 17: Develop a more strategic outreach approach to enhance the capacity of Pathways and its constituent Choices to meet clients' needs.** The consultations with Personal Advisers indicated a number of issues that need to be addressed in strengthening the capacity of the WPP, and more generally improving external links, to help in meeting the needs of clients and contributing to the overall effectiveness of Pathways (para 8.75). In particular, there is a need to:

- Strengthen links with employers. It was clear from our evaluation that if Pathways is to be effective in getting people back to work, particularly those furthest from the labour market, that it needs to develop much better links with employers
- The development of better employer linkages would also provide more even coverage in terms of quality across the province. At present the quality of WPPM providers is seen as largely dependent on the strength of their relationship with local employers.
- The Programme also needs to develop better linkages with the voluntary sector particularly in regard to more bespoke provision for specific client groups on Pathways.

Best Practice

95. **Recommendation 18: The Department should look to adopt and use more widely the "buddying" scheme used in the roll-out of Pathways.** This was seen widely as a great success and helped to ensure that some of the lessons learnt in the initial phases of the roll-out were retained and 'passed on'. It provided good support to those PPAs who were new in the post and gave them someone they could easily lift the phone and talk to if they had any problems.

Equality of opportunity

96. With its focus on helping people overcome barriers to entering employment due to health and disability conditions, enhancing the effectiveness of the Pathways programme should make a positive contribution to promoting equality of opportunity. Nonetheless, the evidence in relation to participation and take-up (paras 7.19-7.20) and

outcomes (paras 6.33-6.41) highlights a number of issues to be addressed, as follows.

97. **Recommendation 19: The Department should consider how best to provide more focussed assistance for participants aged 50 and over.** The survey of participants found no significant effect on employment outcomes for those aged 50 and over. The starting point for improving outcomes for this age-group is to address their relatively low participation rates in the WPP and RTWC within the context of the more progression-focused strategic approach outlined above.
98. **Recommendation 20: The Department should review the use of Job Centre services by those with a limiting illness/disability,** to identify means of improving access to and take-up of such services. The survey of participants found a significantly lower take-up of Job Centre services by those with a limiting illness or disability (para 7.20).
99. **Recommendation 21: The Department should seek to identify means of improving take-up of choices by participants with a limiting health problem or disability.** In taking this recommendation forward, particularly attention needs to be paid to the WPP and, albeit to a lesser extent, the RTWC (para 7.20).

Glossary

ADF	Adviser's Discretion Fund
CMP	Condition Management Programme
DAO	Disablement Advisory Officer
DAS	Disablement Advisory Service
DDA	Disability Discrimination Act
DEA	Disablement Employment Adviser
DEL	Department for Employment and Learning
DETI	Department for Enterprise, Trade and Investment
DRC	Disability Rights Commission
DSD	Department for Social Development
DWP	Department for Work and Pensions
ESA	Employment and Support Allowance
IB	Incapacity Benefit
IS	Income Support
JBO	Jobs and Benefits Office
JSA	Jobseeker's Allowance
JOT	Job Outcome Target
LFS	Labour Force Survey
LMB	Labour Market Bulletin
NDDP	New Deal for Disabled People

OT	Occupational Therapist
PCA	Personal Capability Assessment
PPA	Pathways Personal Adviser
PSA	Public Service Agreement
RTWC	Return to Work Credit
SDA	Severe Disablement Allowance
SSA	Social Security Agency
Wfi	Work-focused Interview
WPP	Work Preparation Programme

1 Background

Introduction

- 1.1 This is the report on the interim evaluation of the Pathways to Work programme pilots in Northern Ireland. The Pathways to Work programme (hereafter 'Pathways') aims to improve opportunities for people on incapacity benefits to move into or closer to employment, that is, people claiming Incapacity Benefit (IB), Income Support (IS) on grounds of disability or Severe Disablement Allowance (SDA).
- 1.2 The Pathways initiative supports the shared DEL/DETI Public Service Agreement (PSA) Objective – "To increase the employment rate and reduce economic inactivity by addressing the barriers to employment and providing effective careers advice at all levels" (draft at July 2007).
- 1.3 The Pathways reform package is the Northern Ireland Executive's (hereafter 'the Executive') response to the increase in the numbers claiming incapacity benefits over the last decade. Against a background of rising employment and a sharp decline in unemployment, the number claiming Incapacity Benefit in Northern Ireland has risen from 99,000 in May 1999 to 111,904 by the end of August 2007, representing one in ten of the working-age population. Over the same period, the number of employee jobs increased by over 15 per cent². By August 2007, the unemployment rate had declined to 4.1 per cent, from 7.4 per cent in May 1999.
- 1.4 UK-wide, the Government is aiming to increase the working-age employment rate to 80 per cent. As unemployment has reduced, the economically inactive have become an important focus of attention in efforts to stimulate an increase in labour supply. In that context, the Government is seeking to reduce the numbers receiving incapacity benefits by one million.
- 1.5 The 80 per cent employment rate target represents a particular challenge in Northern Ireland, where economic inactivity rates have remained stubbornly high over the past two decades. This is recognised in the Programme for Government which sets the goal for Northern Ireland to achieve a 75 per cent employment rate by 2020.
- 1.6 The Pathways process involves a series of mandatory Work-focused Interviews (WfIs) combined with voluntary participation in a range of provision, collectively referred to as "Choices", aimed at improving labour market readiness and removing barriers to work.

² Employee jobs rose from 623,000 to 719,000 (Source: DETI).

- 1.7 The roll-out of Pathways across Northern Ireland began in October 2005 with its introduction in three pilot areas i.e. Ballymoney, Lurgan and Magherafelt. It has since been rolled-out to all Jobs and Benefits Offices in Northern Ireland. However, the focus of this interim evaluation is on the first three phases of this roll-out which in addition to the three offices above also included Enniskillen, Newry, Newtownabbey, Falls Road, Foyle, Lisnagelvin and Shankill Road.

Aim and Objectives

- 1.8 The primary aims of the interim evaluation are as follows:
- To examine the outcomes from the Pathways to Work programme.
 - To assess how well the programme is meeting (or not meeting) its stated aims of putting into place a comprehensive package of support measures to help sick and disabled clients consider work where this is possible.
- 1.9 The objectives of the evaluation are as follows:
- Examine the effectiveness of the component parts, and combinations of component parts, of Pathways to Work in moving client groups through and out of incapacity benefits and particularly into work. This should incorporate a comparison of pilot versus non-pilot areas and the pre/post Pathways position in pilot offices.
 - Examine the experiences of clients in Pathways to Work areas especially the benefits of (and uptake of all 6) work focused interviews and the extent to which clients avail themselves of the assistance that is offered to them.
 - Assess the effectiveness of the Personal Adviser intervention, including arrangements for their preparation, training, ongoing development and support.
 - Assess how the partnership arrangements, both internal³ and external are working on the ground and how they are established, maintained and supported by HQ branches.
 - Assess the fiscal benefit (or otherwise) of Pathways to Work.

³ Disablement Advisory Service (DAS) and others.

- Assess the programme in terms of equality of opportunity and good relations, and seek to identify any adverse effects.
 - In respect of any recommendations made, assess whether there are any likely impacts on equality of opportunity or good relations. In doing so consultants may recommend measures to mitigate any adverse impacts.
 - Identify examples of best practice.
 - If appropriate suggest improvements/changes to the operation of the initiative.
- 1.10 The component parts of the Pathways to Work programme include: The overall process from benefit claim stage to moves into work; existing employment service programmes, New Deal for Disabled People (NDDP), Return to Work Credit (RTWC), Condition Management Programme (CMP), Work Preparation Programme (WPP), Adviser's Discretion Fund (ADF) and incentives such as Permitted Work and benefit linking rules. Better Off Calculations and their impact on decision making by clients are also important.
- 1.11 The term client groups refers to three specific groups: fresh/repeat claims flowing onto incapacity benefits; existing clients mandated into the pilot (first three pilot offices only); and, existing clients who volunteer for Pathways support.

Approach

- 1.12 The approach to the evaluation combines a range of research methodologies in order to provide different perspectives and insights into the performance of Pathways in its initial phases. The main elements of this research approach are as follows:
- **Desk research** including a literature review, survey design and sampling methodology.
 - **Key Informant Interviews and Workshops** with both internal and external stakeholders. A list of consultees is set out in Chapter 8.
 - **Focus Groups** with Pathways Personal Advisers (PPAs) and Disablement Employment Advisers (DEAs).
 - **Face-to-face in-depth interviews** with Pathways clients (36).
 - **Analysis of administrative data** supplied by DEL and DSD.

- A **telephone survey** of 1,500 Incapacity Benefit claimants, including 600 new or repeat claimants (flows) and 300 pre-existing claimants (stocks) in Pathways areas and 600 claimants in non-Pathways areas as a comparator group. Appendix A provides a detailed description of the survey design used in terms of sampling and analysis of both survey and administrative data.

1.13 It is intended that by combining each of these elements we can provide responses to the evaluation questions listed above.

Structure of the Report

1.14 As set out above there are a number of important elements in our research approach. The remainder of the report is set out as follows:

- **Chapter 2 – Policy Context:** This chapter discusses the rationale and need for Pathways and the evidence which underpins the requirement for government intervention in this area.
- **Chapter 3 – The Pathways Pilots:** This chapter describes the introduction of Pathways to Work in Northern Ireland.
- **Chapter 4 – Participation and take-up:** This Chapter sets out the number of clients entering pathways and their participation on the elements of “Choices”.
- **Chapter 5 – Flows off incapacity benefit:** This Chapter looks at the effect of Pathways on off-flow rates from incapacity benefits by pilot phase and time period.
- **Chapter 6 – Participants Outcomes:** This chapter focuses on the post-Pathways outcomes for clients with a particular focus on their current labour market status.
- **Chapter 7 – Patterns of Participation and Choices:** This chapter provides a more detailed breakdown of participation in Pathways based on routes through Pathways and personal characteristics.
- **Chapter 8 – Consultations with Staff and Providers:** This Chapter presents the views of staff, in particular those who are tasked with implementing Pathways. As a result it focuses on the implementation of the Pathways Pilots and the various elements of the Pathways process including “Choices”.
- **Chapter 9 – Qualitative Interviews with Pathways Clients:** This chapter reports on our thirty-six face-to-face interviews with

Pathways Clients. The main focus of these interviews was to obtain a client's view of the Pathways process and how it had impacted on them and their labour market status.

- **Chapter 10 – Fiscal Benefits Assessment:** The terms of reference for this evaluation require an assessment of the fiscal benefit (or otherwise) of Pathways to Work.
- **Chapter 11 – Conclusions & Recommendations:** This chapter provides a synthesis of the findings from the earlier chapters and our thoughts and recommendations for the future implementation of Pathways.

2 Policy Context

Introduction

2.1 This chapter of the report provides the background to the introduction of Pathways to Work and in particular sets out our understanding of a number of issues which are central to the process of evaluation. These issues are as follows:

- Need.
- Rationale.
- Aim and objectives.

2.2 The first part of this chapter looks at the evidence which supports the need for government intervention i.e. the particular problems that Pathways seeks to address. In evaluation the identification of need is a prerequisite for intervention. It also gives us an indication of what the programmes aim and objectives should be and how these might best be achieved. In essence government needs to show that there is a problem that should be tackled.

2.3 Another step in this process is the identification of “market failure”. This concept is predicated on the fact that in a market economy “market forces” are viewed by many as the best mechanism to tackle economic and sometimes social problems. However it is recognised that under some circumstance markets may not be optimal. For example, they may undervalue outcomes which are good for all of us, referred to as “social goods”, relative to outcomes for individuals, particularly those involved in the market. Another potential weakness in market systems is where information asymmetries exist between different actors in a market e.g. sellers know more than buyers.

2.4 It will also consider how the introduction of Pathways is intended to impact on these problems. It is particularly important in an evaluation to set out how we expect the Programme to work i.e. its rationale. This ensures that there is clarity in terms of what is being measured and how it relates to the activities that comprise the Pathways to Work programme. Similarly, we set out the aim and objectives of the Programme so that we can assess its effectiveness against its intended outcomes.

2.5 In relation to Pathways, Government at UK level has set out the need and rationale for the Programme in two major policy documents, which are as follows:

- *Pathways to work: Helping people into employment* (DWP, Cm 5690, November 2002). This as its title suggests is the main

policy document in terms of setting out why Pathways has been introduced and what it expects to achieve.

- *A new deal for welfare: Empowering people to work* (DWP, Cm 6730, January 2006). While this document postdates the introduction of the Pathways Pilots in Northern Ireland it nonetheless has important messages in relation to the Government's broader strategy in this area.

2.6 There are also two more recent Government publications which while they are not part of the policy context for the evaluation itself do form an important backdrop to any discussion on the way forward and our recommendations for Pathways in the future. These are as follows:

- *Ready for work: full employment in our generation* (DWP, Cm 7290, December 2007).
- *No one written off: reforming welfare to reward responsibility* (DWP, CN7363, July 2008).

2.7 In addition there are two other independent reports published by government which have relevance to Pathways. These are as follows:

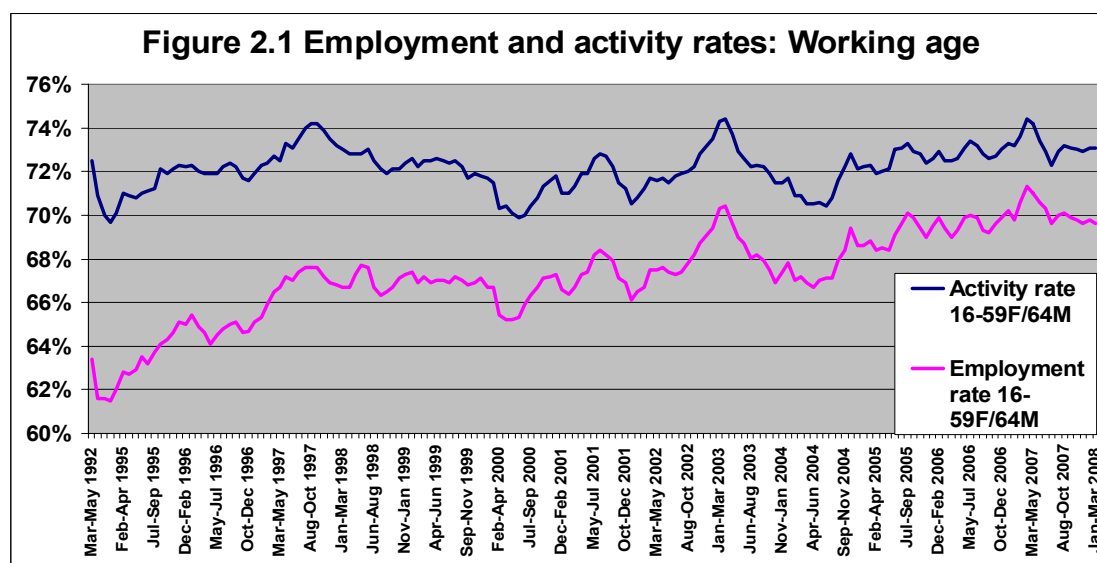
- *Working for a healthier tomorrow: Dame Carol Black's Review of the health of Britain's working age population* (Department of Health, DWP, March 2008).
- *Reducing Dependency, increasing opportunity: options for the future of welfare to work* (David Freud, 2007, DWP).

2.8 At the Northern Ireland level we also must take into account the Programme for Government and the relevant targets established within it. Similarly, DEL's Public Service Agreement targets and Corporate Plan. We will set these out later in this section when we look at the aims and objectives of Pathways to Work.

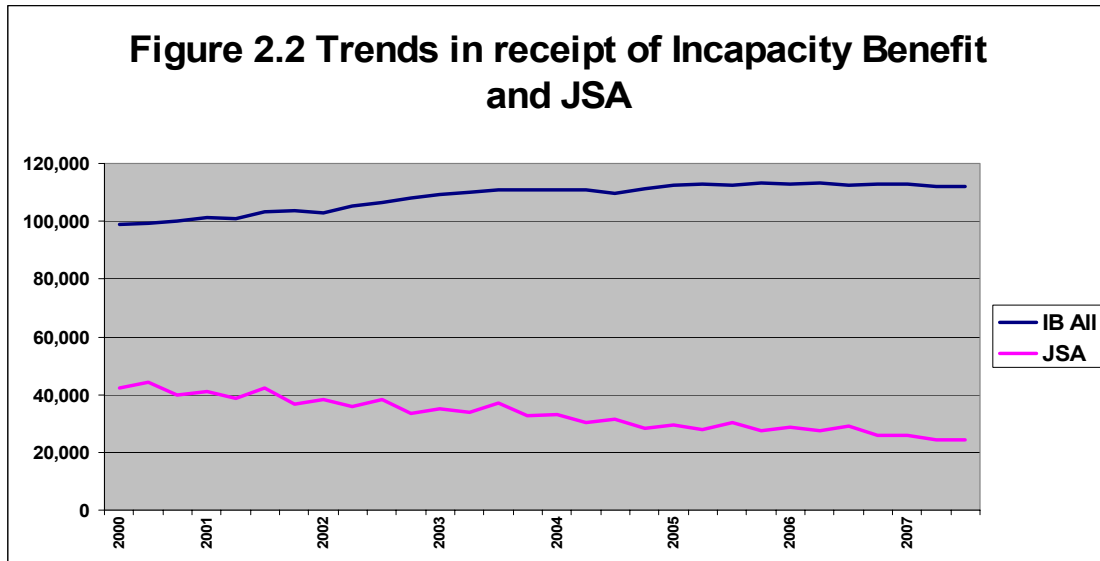
2.9 In the remainder of this chapter we discuss the problems that are identified in these reports with a focus on the situation in Northern Ireland. In the rest of this section we need to discuss it under the two headings of economic and social need although as we will see later in our discussion the two are very closely intertwined.

Economic Need

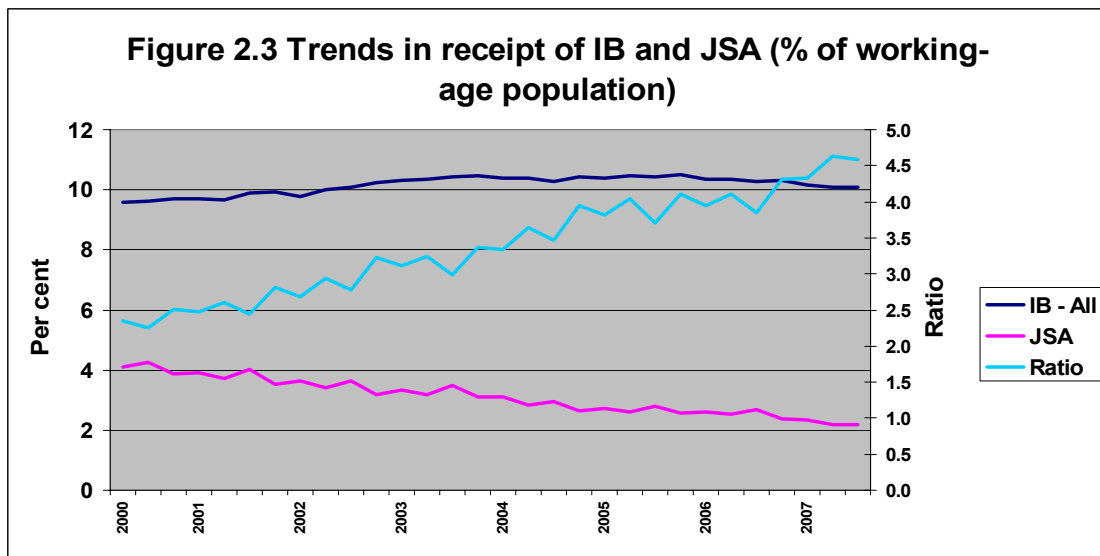
- 2.10 The basic economic argument behind Pathways to Work and welfare to work in general is that our economy is constrained by the tightness of the UK labour market and the difficulties that employers face in filling vacancies. There are currently 680,000 unfilled vacancies (DWP, Cm 7290, 2007) in the UK and as a consequence the economy is not performing to its full potential. The tightness in the labour market is also signalled by the historically low levels of unemployment and the fact that employment has been rising over the past decade whilst unemployment has fallen sharply.
- 2.11 In response to these issues the UK Government has stated that its long-term aspiration is to increase the employment rate from 74 per cent to 80 percent and in particular move more people from economic inactivity into work (those classed as economically inactive include single parents, the retired, students, and those on IB). This target also has positive fiscal implications by reducing the number of people reliant on benefits and increasing the numbers working and paying taxes.
- 2.12 In Northern Ireland, there has been a significant rise in the numbers at work with an increase of 128,000 in the last decade. This has driven a steady increase in the employment rate for those of working-age (Figure 2.1). The rise in employment has been accompanied by a sharp decline in unemployment, as indicated by the shrinking gap between the employment and activity rates in Figure 2.1 and also the sharp drop in the numbers on Jobseeker's Allowance (JSA) (Figure 2.2). However, while the working-age economic activity rate has been on an upward gradient since 2004, the rate has remained in the range 72-74 per cent.



- 2.13 What is also apparent from Figure 2.2 is that the numbers on IB have increased over this period and have not reacted to the rise in employment.



2.14 We can also see from Figure 2.3 that at the beginning of the decade, there were 2.5 people on IB for every one on JSA. By August 2007, the ratio had almost doubled, to 4.5. It is interesting to note that the number of people who are economically inactive and who would like to work (LFS) now exceeds the total number unemployed (DEL, LMB 2006).



2.15 In total there are now some 110,000 IB claimants, representing one in ten of the working age population. This is now a major component of economic inactivity and as such signifies a loss in terms of the productive capacity of the economy.

- 2.16 A number of recent studies have examined the rise in IB numbers (Yeates, 2002; Fothergill & Wilson, 2006; Anyadike-Danes and McVicar, 2007). The findings indicate that the increase is due to a reduction in off-flow rates and consequently longer durations on IB rather than increased on-flows to IB. Anyadike-Danes and McVicar (2007) found that:

“Up to the early 1980s around 80 per cent of those on the register for a year had left before the end of the following year. By the mid-1990s the proportion leaving had halved to just 40 per cent.” (p 17, 2007)

- 2.17 These findings are clearly important in terms of policy design; as durations increase people become further distanced from the labour market e.g. their skills may become out-dated and/or they may lose their motivation. Part of the thrust of Pathways is therefore to intervene at an early stage to try and halt this increase in average duration. To give some idea of the scale of this issue the Freud Report (2007) highlighted that the **average** (emphasis added) duration for an IB claimant who had not returned to work within 12 months of the start of their claim was **eight years**⁴.

- 2.18 Recent qualitative research with new IB claimants in Great Britain has also highlighted the importance of early intervention. Sainsbury & Davidson (2006) found a significant change in individuals' expectations of returning to work between their initial interview and their follow-up interview 6-7 months later:

“One of the most striking findings from this group [still on IB] was the change in thoughts about working between the two research interviews. In the first interview the large majority expressed positive aspirations about working in the future, but at the second interview only a few were confident of returning to work in the short-to-medium term, with most people citing health as the major factor.”

- 2.19 This is in line with the evidence in the *Pathways to Work: Helping People into Work* White Paper, which reported that 90 per cent of those making a new IB claim expected to return to work, although after 12 months more than 40 per cent of them still remained on IB.

⁴ This also has important implications in relation to any cost-benefit analysis of Pathways. Essentially if the programme can help an individual back to work who otherwise would have remained on benefit than the impact is on average a saving of eight years benefit payments and any additional tax payments over that period

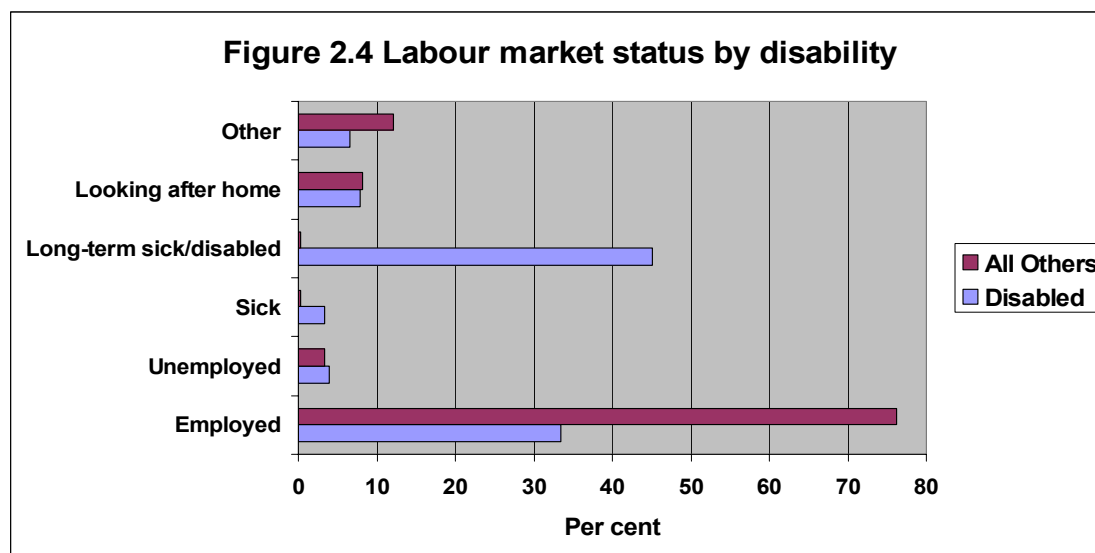
Social Need

- 2.20 In discussing the social need for Pathways intervention we need to first look at the issue of definitions in relation to people on IB. The first point to make is that a significant proportion of those claiming IB, the Disability Rights Commission (DRC, 2004) would argue the majority, would be classified as disabled under the Disability Discrimination Act (DDA)(1995, amended 2005) definition⁵. However, not all of those on IB benefits would be classified as disabled under the DDA. To qualify for IB a person has to undergo a Personal Capability Assessment (PCA), which is focussed on their ability to carry out a number of physical activities related to work and consequently while they may be viewed as not fit for work they would not necessarily be classified as disabled. The conclusion therefore is that while there is significant overlap between IB claimants and people with a disability they cannot be viewed as one and the same.
- 2.21 This issue is behind some of the more recent policy developments in relation to incapacity benefits. In particular, the new Employment and Support Allowances will attempt to make a clearer distinction between those who have a disability which would preclude them from, or at the least make it difficult for them to be actively seeking work in, the labour market and those who have an incapacity which might only preclude them from certain types of work. Hence the greater focus on capabilities rather than incapacity in the latest policy documents.
- 2.22 Differentiating between these two groups is however fraught with difficulty. It is impossible for example to base any differentiation on condition because the individuals who have a condition exist on a continuum from the mild cases at one end to the most severe. Therefore, to make a decision on an individual's ability to work a point on that continuum has to be selected at which those at the milder end are judged capable of some form of work while those at the more severe end of the spectrum are not.
- 2.23 These decisions are made even more difficult by the fact that some individuals may suffer from more than one condition. Indeed, it was clear from our consultations with Pathways Personal Advisers (PPA) and with clients that this is a quite frequent occurrence and one that can cause particular problems for the PPA because often the condition on which they were assessed at the PCA is found not to be their most significant barrier to work.

⁵ A person has a disability for the purposes of this Act if he/she has a physical or mental impairment which has a substantial and long-term adverse effect on his/her ability to carry out normal day-to-day activities.

Disability and Employment

2.24 One of the most important arguments in terms of social need is the low employment rates amongst people with a disability. As we can see from Figure 2.4, only one in three working-age⁶ people with a disability are in a job. The chart also shows the huge difference in employment rates between those with a disability and those who are not disabled.

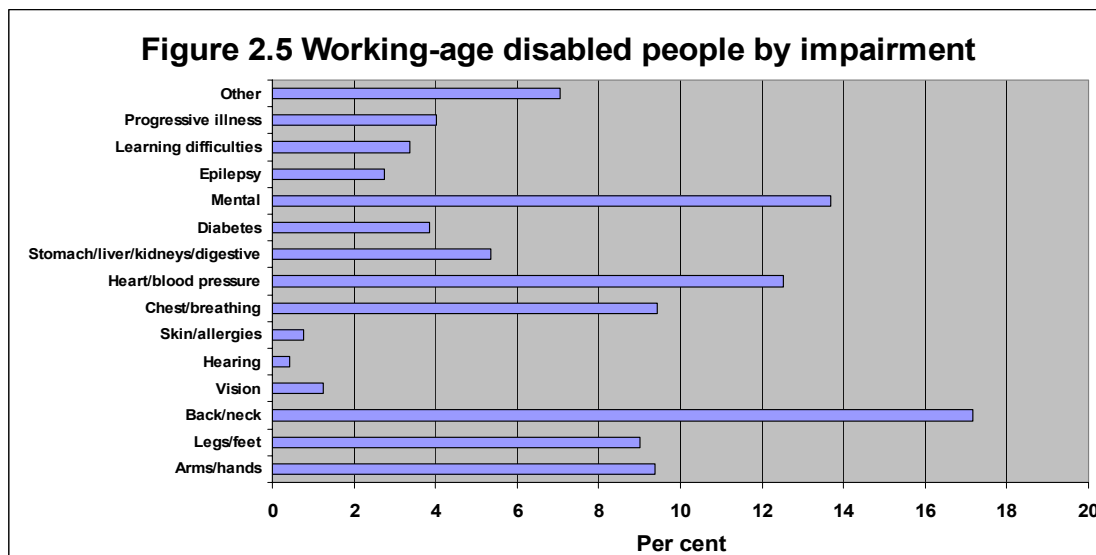


2.25 Further strengthening our earlier discussion about the significant overlap between IB claimants and people with a disability is the fact that one in three of the economically inactive are also classified as long-term sick/disabled (LFS definition).

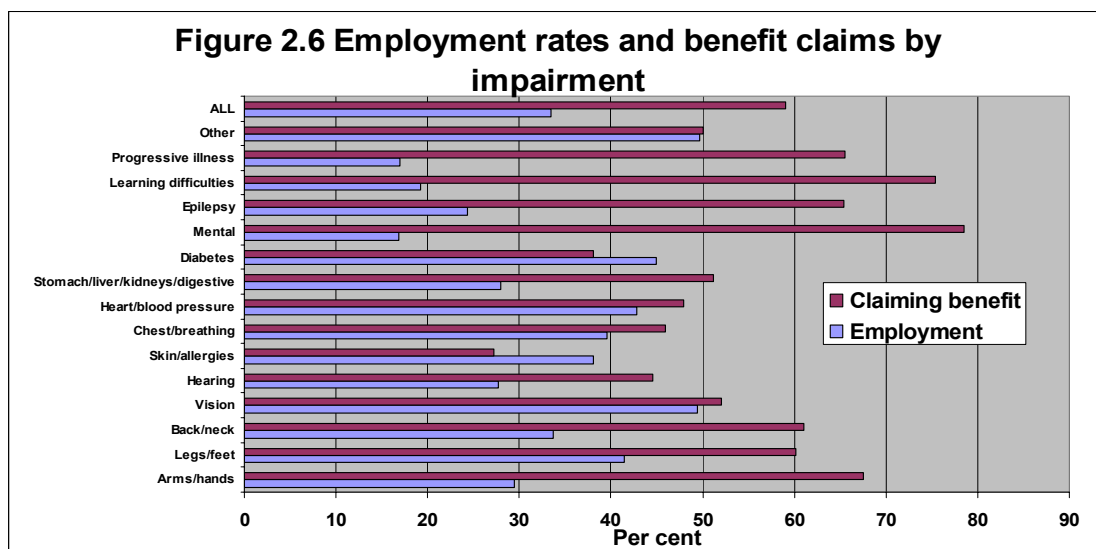
2.26 The key point from this discussion is that from a policy perspective it is largely irrelevant whether we classify people as disabled or as IB claimants as from both an economic and social perspective both can and should be helped and encouraged to re-enter the labour market. The only caveat to that statement is in relation to conditionality and when, and for whom, is it appropriate to apply sanctions or enforce participation.

2.27 Another important aspect which relates equally to people with a disability and those claiming IB is the heterogeneity in their conditions and personal circumstances. As discussed above in relation to definitions of disability and incapacity, the severity of an individual's condition can vary across a wide spectrum. In addition there is also a range of different conditions which can affect people's capacity for work; Figure 2.5 shows that the major categories in terms of main impairment are musculoskeletal, cardio-pulmonary and mental health.

⁶ Women aged 16-59 and men aged 16-64.



2.28 It is also important to note as illustrated in Figure 2.6 that employment rates vary widely by main impairment, as do benefit claiming rates (benefits shown based on LFS estimates for all on unemployment, Income Support and disability benefits). Of particular interest given their relative weight in terms of the distribution of impairment is mental health and musculoskeletal which both have relatively low employment rates and high levels of benefit claiming.



2.29 This analysis demonstrates that there are a large number of people economically inactive on IB and disability benefits. It is also clear from surveys that many of these people want to work and also in the case of IB that the vast majority of the people entering IB expect to return to work.

2.30 There are other reasons apart from personal choice why people should be encouraged to work and in the following sections we look at the risk of poverty and the adverse health effects of being out of work.

Risk of poverty

- 2.31 The risk of income poverty amongst working-age adults can be measured by the percentage living in a household with income below 60 per cent of the median⁷ for all households. On that measure, the risk is significantly greater in households with one or more disabled adults. In Northern Ireland, in 2005-06, 26 per cent of working-age adults living in a household with one or more disabled adults were at risk of income poverty⁸. This compares with a 16 per cent poverty risk for those living in households with no disabled adults.
- 2.32 The issues already discussed above with regard to the relatively low employment rates for disabled people and the higher risk of poverty underlie the government's efforts to improve opportunities for people with a disability. The policy agenda in this area was set out in an inter-departmental report titled *Improving the Life Chances of Disabled People* (Cabinet Office, 2005). The report highlighted a number of areas for action the main elements of which are set out below:
- Employment - early intervention supporting disabled people to stay in touch with the labour market; improving the employment prospects of disabled people through ongoing personalised support, with employers supported in a key role, while providing security for those unable to work.
 - Independent living - increasing disabled people's ability to live independently at home, at work and in the community with support based on personal need, choice and empowerment through a major expansion of Direct Payments in the form of individual budgets.
 - Transition to adulthood - planning focussed on the individual needs of disabled young people, based on smooth provision of support and services during transition and leading to appropriate opportunities and choices in adulthood.
 - Early years and family support - family-focused support, childcare and early education that enables families with young

⁷ The median is the middle point in a distribution. Thus, 50 per cent of households have an income below the median, while the remaining 50 per cent have an income above the median.

⁸ After housing costs measure. Source: DSD, 2007. *Households Below Average Income 2005-06 Report*. Available at http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/households.htm.

disabled children to achieve 'ordinary lives' and remain economically and socially included.

- A new Office for Disability Issues will also be established. It will be a strategic unit responsible for coordinating Government work on disability and ensuring that this fits with the wider equalities agenda.

2.33 Clearly, Pathways and the other support programmes that DEL currently provides have an important role to play in delivering on these aims and objectives.

Health and Work

2.34 The government's policy documents also stress the positive effects of work on health and wellbeing. Being out of work can lead to social isolation particularly where it is also associated with poverty. Both the Black and Freud reports state that being in work can have a positive impact on health and wellbeing. This is supported by research by Waddell and Burton (2006) who found positive health effects associated with being in work.

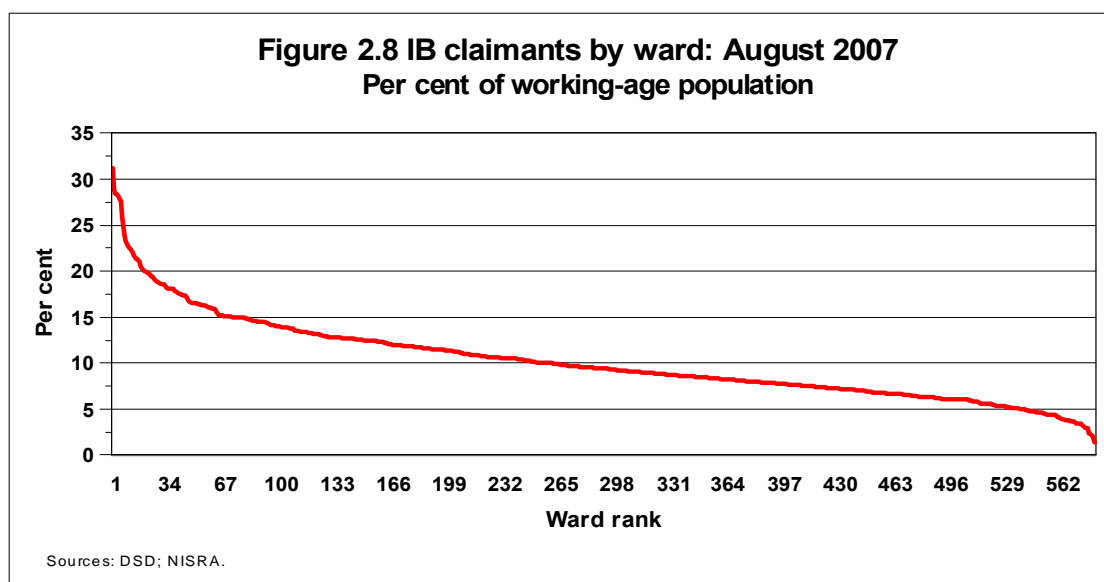
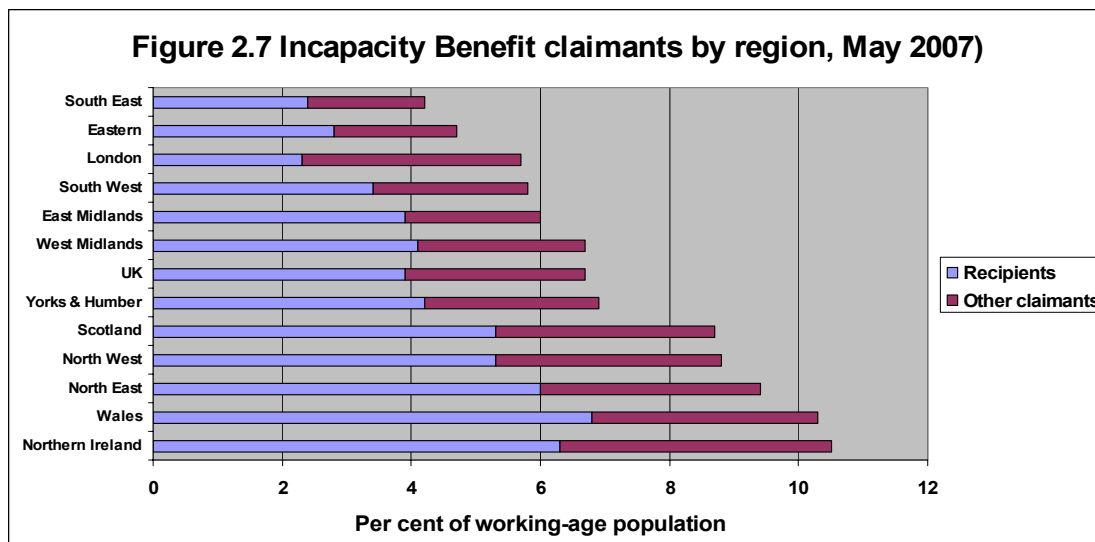
2.35 The Black report also sets out a strategy for improving the health of the working age population which in particular focuses on improved occupational health services for those in and out of work, a suggested name for the new service is "Fit for Work". This new service when implemented will be highly relevant to the future delivery of Pathways.

Geographical patterns

2.36 Geography is an important issue for Pathways at a number of spatial levels. Figure 2.7 shows the differences in IB claimant rates across the regions of the UK with Northern Ireland and Wales amongst the highest and significantly higher, more than double the rates in the South of England.

2.37 However, it is also clear from Figure 2.8, and even more markedly in Table 2.1, that there are similar and even more marked differences in the distribution of IB claimants at a local level.

2.38 This analysis also corresponds to the findings of Shuttleworth *et al* (2008) in their survey of IB recipients in Northern Ireland who found large differences in people's perceptions of the local labour market and their own probability of finding work within more deprived areas particularly in urban locations.



- 2.39 The concentration of IB claimants within more deprived urban areas is also noted in the government’s policy documents and a number of specific initiatives are identified to try and work within and with these communities to tackle this issue. A partnership approach similar to that which has been used in some areas of GB to deliver the New Deal is seen as the way forward in these more deprived areas.
- 2.40 In Figure 2.9 overleaf we can see how highly correlated the level of IB claimants is with the Northern Ireland Multiple Deprivation Measure of employment deprivation ($r=0.9371$). In Figure 2.10 we have correlated the incidence of IB claiming with the health deprivation measure and we can see that the correlation is less strong ($r=0.7453$).
- 2.41 Geography is therefore clearly a major issue in terms of policy design and based on the emerging policy agenda in GB it is clear that service delivery may need to be tailored to meet the needs of particular areas.

Table 2.1 The 20 Wards with the largest IB claimant rate (Per cent of working-age population): August 2007

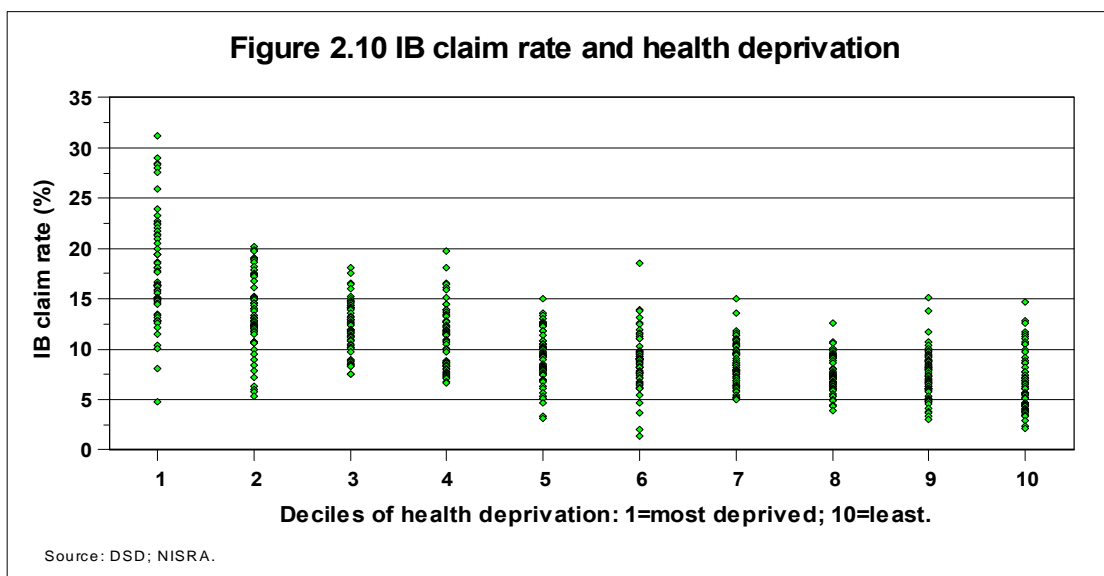
Parliamentary Constituency	Ward	IB claimant rate	Deprivation	Type of area	Social housing ³	Catholic share
		%	Decile ¹		%	%
Belfast West	Falls	31	1	Urban	74.64	96.93
Belfast North	Duncairn	29	1	Urban	62.86	5.52
Foyle	The Diamond	28	1	Urban	40.25	81.03
Belfast West	Shankill	28	1	Urban	76.28	3.20
Belfast North	New Lodge	28	1	Urban	70.36	97.36
Belfast North	Crumlin	28	1	Urban	78.57	3.63
Belfast West	Whiterock	26	1	Urban	60.22	99.04
Belfast North	Water Works	24	1	Urban	38.68	90.67
Belfast South	Shaftesbury	23	1	Urban	65.92	36.94
Belfast West	Clonard	23	1	Urban	45.95	96.09
Belfast East	The Mount	23	1	Urban	49.23	3.97
Belfast East	Ballymacarrett	22	1	Urban	66.04	50.73
Foyle	Brandywell	22	1	Urban	64.16	98.85
Belfast North	Ardoyne	22	1	Urban	51.93	96.38
West Tyrone	East	21	1	Urban	57.30	97.09
Belfast North	Woodvale	21	1	Urban	43.84	2.59
Foyle	Creggan Central	21	1	Urban	64.34	98.69
South Down	Ballymote	21	1	Urban	46.06	87.93
Newry & Armagh	Ballybot	20	1	Urban	40.83	96.72
Foyle	Westland	20	1	Urban	36.82	97.81

1 From 1=10% most deprived to 10=10% least deprived.

2 Per cent living in dwellings rented from NIHE or Housing Association.

Sources: DSD; NISRA Census of Population 2001, MDM 2005.

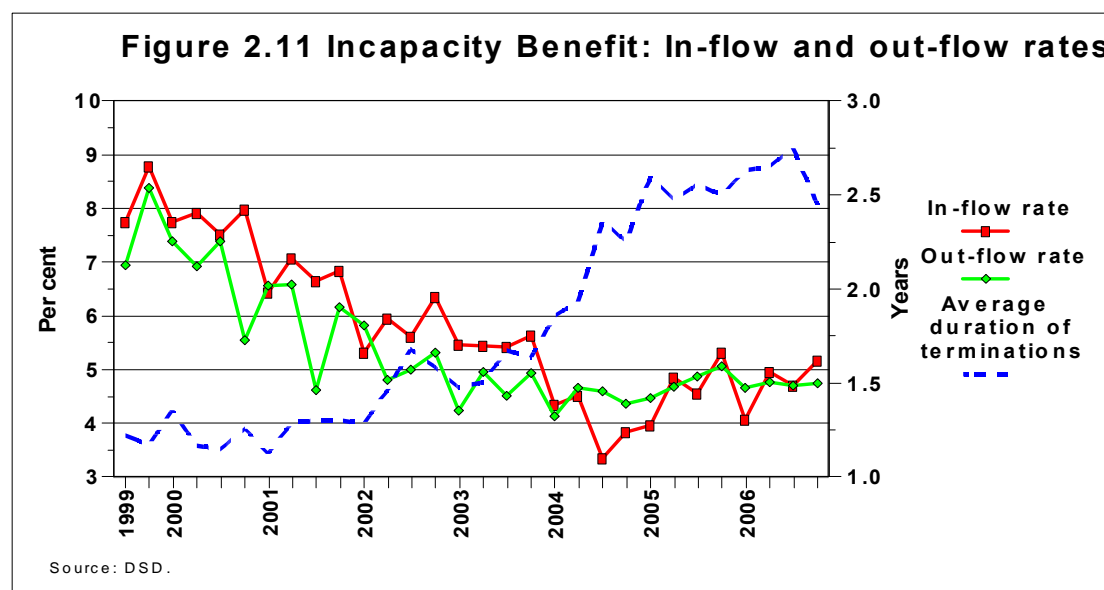
2.42 From our consultations with PPAs in all of the Pathways Pilot areas it was clear that those in urban areas were finding it more difficult to make an impact on their clients and held the most negative views in terms of the client's own motivation. Their assessment is supported by the research of Shuttleworth et al (2008) which shows that the issue of perceptions within specific local labour markets is one which needs to be addressed. However, whilst these issues are most pertinent in terms of the way forward they do provide an important context for the assessment of our own evaluation findings.



Rationale

2.43 At its most basic level the rationale for Pathways and the associated welfare reforms can be characterised as getting people back into work because it’s good for the economy and also for them. It can help in tackling poverty and improving health, particularly in conjunction with improved and more focused occupational health services. It also has the potential as we have seen from our analysis of the relative employment rates of people with a disability to impact on equality and the government’s agenda in terms of “increasing the life chances of disabled people”. Similarly, it has the potential based on our analysis of the relationship between levels of IB claiming and deprivation to make a positive contribution to tackling economic deprivation and poverty in some of the most deprived urban areas.

- 2.44 More specifically we have seen that the underlying cause for the level of IB claimants remaining stubbornly high despite significant increases in the numbers at work is the increased duration of time on benefit and the diminishing probability of an exit for those who remain on IB beyond the first 12 months. The patterns in terms of falling off-flow rates and increased duration are clear in Figure 2.11.
- 2.45 It is also important to note that the vast majority some 90 per cent of them expect to return to work when they first come on the IB. There would therefore appear to be a *prima facie* case for some form of intervention to reverse this trend.



- 2.46 However, there are a number of issues which illustrate some of the potential problems the policy might face in trying to implement the scenario set out above.
- 2.47 We have already discussed above the complexity that exists in terms of the nature and severity of individual conditions and the potential, as PPAs have found, for clients to suffer from multiple conditions with sometimes the most severe conditions being hidden in terms of the PCA. Related to this is the overlap between those with work related incapacities and those with a disability. These health-related issues and their assessment are particularly important when it comes to the issues of conditionality and sanctioning.

Conditionality

- 2.48 It is particularly around the area of conditionality that many commentators from outside government have the most difficulty. In principal they would all support the provision of help and support to enable those who want to return to get back into work but they see particular problems in relation to conditionality i.e. enforced participation with the use of benefit sanctions.

- 2.49 The Disability Rights Commission in their response to the original Pathways Policy paper set out their views in relation to the pros and cons of conditionality with respect to IB recipients, as follows:

Why Conditionality?
<ul style="list-style-type: none"> • Hitherto there has been no mechanism to encourage people to look for work unless they are receiving JSA. • People won't get a job unless they are looking for it. • People won't participate unless they are made to.
Why Not?
<ul style="list-style-type: none"> • Sanctions could have negative effects on incomes, health and confidence. • People might be forced into activities that they are not able to undertake due to their impairment. • Focussing on the individual is unfair when employers can still discriminate against disabled people. • A range of external barriers exist (such as a lack of suitable or affordable transport and inadequate support services) which make work difficult.
Source: DRC, 2004

- 2.50 The Child Poverty Action Group (2005) went even further in their response to the IB reform green paper stating that increasing conditionality would be stigmatising, unnecessary and unjust. They also stated that the use of sanctions could increase financial insecurity and ill-health and lead to poorly paid and insecure employment.

- 2.51 These difficulties around conditionality and particularly the use of sanctions were already apparent in our discussions with PPAs. In general sanctions were seldom used because PPAs found it difficult to assess what the impact of the sanction would be and the extent to which the problems the individual faced in meeting the requirements of Pathways were related to their condition.

Mental Health

2.52 There are also particular problems emerging in terms of working with people with mental health problems. Initial evidence from the evaluation activities in GB suggests that Pathways is having little impact on those with mental health problems. (Black report, 2008) There is also evidence that there is a higher incidence of mental health problems amongst new claimants coming on to IB that exist within the current population (DWP Report No. 469, 2007). There is also some evidence that employers have particular issues in employing and managing people with mental health problems.

Employer Attitudes

2.53 The role of employers and their attitudes in general to employing people with disabilities is one that several commentators (DRC, 2004; CPAG, 2005) felt is not given enough consideration within the current policy agenda, although the government has set out measures to inform employers about the reality of employing people with a disability. There is evidence that employer ignorance does play a role in forming their attitudes to the employment of people with a disability (DWP Report No. 400, 200) with marked differences between employers who had employed people with a disability and those who had not with the latter more likely to underestimate their potential productivity and overestimate the costs and problems of employing someone with a disability.

The Economy

2.54 The final issue which may create a significant challenge for the government in achieving its policy objectives is the current state of the UK and global economies. It is interesting to note that in the 2002 Pathways Green Paper one of the unique opportunities that was emerging to help address the problem of the high number of IB claimants was the favourable state of the UK economy. This begs the question, that if the economy is in a less favourable state will the policy be able to have the same impact?

2.55 There is a simple and appealing logic to the rationale for public sector intervention to reduce the number claiming IB and at the same time increase the numbers of those in employment. However, as we have illustrated in the previous paragraphs there are a number of issues which will pose particular problems in terms of policy design and implementation. We look at these issues in more detail within the rest of our report and will return to them in our conclusions and recommendations.

Aim and Objectives

2.56 In the following paragraphs we set out the aim and objectives of Pathways to work as set at the UK level and then look at the more specific regional objectives that relate directly to the implementation of the Pathways Pilots in Northern Ireland.

2.57 The original white paper “Pathways to work: Helping people into work” (DWP, Nov 2002) stated that the overarching objective of Pathways was as follows:

“Our objective is clear – helping those with the potential to get back to work to fulfil their aspirations and to avoid missed opportunities”

2.58 The more recent welfare reform Green Paper, *A new deal for welfare: empowering people to work*, published in January 2006, outlined a fundamental reform of the welfare system and proposed a wide range of measures to:

- Create a climate of proactive support to assist customers back to work;
- Promote a positive customer experience; and,
- Remove some of the complexities around benefit administration.

2.59 Pathways to Work is aimed at those in receipt of incapacity benefits and combines a balanced package of rights and responsibilities, which aims to target a number of the health-related, personal and external barriers a customer may have to overcome in order to return to work. It is an important contributor to the Government’s objectives to:

- Help a million people move off IB over 10 years;
- Reduce the gap between the percentage of disabled and non-disabled people in work;
- Halve the number of children in relative low-income households between 1998-99 and 2010-11, on the way to eradicating child poverty by 2020; and
- An employment rate equivalent to 80% of the working-age population.

2.60 Within GB there are two models of delivery i.e. Jobcentre Plus led Pathways to Work and Provider led Pathways to Work. In the latter case the provision of Pathways in an area is contracted out to a private or voluntary sector provider on a tender basis. The performance of Pathways providers in the public, private and voluntary sectors is measured on the basis of two sets of targets. The more operational or process targets are referred to as Interventions Delivery Targets (IDT) and the more strategic outcome related targets are referred to as Job Outcome Targets (JOT). It is interesting to note that in the case of the non-public sector providers the JOT targets are set as part of the tendering process.

Northern Ireland

2.61 Within Northern Ireland the Executive's main policy objectives are set out in the Programme for Government. The NI specific goal in relation to the employment rate is as follows:

"To increase the employment rate from 70% to 75% by 2020"

2.62 DEL also has within its Public Service Agreement (PSA) targets the following which is also relevant to the delivery of Pathways:

"To assist 70,000 working age benefit claimants to move into employment by March 2011, subject to economic conditions"

Pathways Pilots

2.63 The specific objectives of the Pathways Pilots are set out in DELs Economic Appraisal of the Pathways to Work (IB Reform) pilot projects (Aug 2005) and are as follows.

2.64 The overarching objectives to be evaluated within the three pilot areas to be run over a 3-year period are:-

(i) **Key Broad Objectives in relation to Reforms listed below:**

- Provide a better framework of work-focused interviews for all new customers and action planning;
- Offer direct access to a wider range of help through improved work-focused interview regime including improved referrals to Disablement Advisory Service;
- Establish work-focused rehabilitation programmes in conjunction with DHSSPS to change behaviour and perceptions about work;
- Offer improved visible financial incentives to encourage people to look for employment by establishing a Return to Work Credit

and access to the Advisers' Discretion Fund to assist with purchasing anything which will help the client obtain a job (interview clothes, tools, overalls etc);

- Provide better support for people with health problems on JSA by ensuring those transferring from IB to JSA see specialist advisers and Jobseekers Agreement reflects any residual health issues;
- Ensure only those properly entitled, claim incapacity benefits by using developing procedures for verifying and validating benefit claims, therefore securing the gateways; and,
- To establish whether this comprehensive set of measures can make a real difference in reducing the rate at which IB customers move on to long-term IB by piloting reforms in 3 areas over a 3 year period, targeting the single largest group on benefits.

(ii) **Key Specific Objectives:**

- The expected realisation of an increased flow off IB of 4% in pilot areas within the first 12 months of the pilot;
- That those additional off-flows represent moves to employment, either immediately or shortly after;
- The expected increased flows off IB after 12 months;
- Increasing the job entries of those who are awarded JSA rather than IB following their PCA;
- Increase numbers of IB customers actively engaging in the labour market; and,
- Reducing the flow of clients from Short term Incapacity Benefit to Long Term Incapacity Benefit.

2.65 In the context of this interim evaluation it is these specific objectives set out in the economic appraisal against which we must assess the performance of the Pathways to Work Pilots to date.

Key Points Summary

- 2.66 There is clear evidence in relation to increasing numbers on IB relative to those on unemployment-related benefits against a background of significant increases in employment. The research further shows that the main driver for the increase in IB claimant numbers is reduced off-flows and consequently longer durations rather than any increase in on-flows.
- 2.67 This supports the need for intervention to reverse the trend in relation to the duration of IB claims and to do so by assisting them to return to work. It is also worth noting that 90 per cent of new IB claimants expect to return to work although 40 per cent of them will still be on IB 12 months later.
- 2.68 Research has also shown that individual's expectations in terms of returning to work deteriorate very quickly once they are on IB. In Table 2.2 we can see the change in peoples expectations from the vast majority - approximately 90 per cent - expecting to return to work at the outset to just a third expecting to return to work in less than six months. There is a compositional element to this change with approximately 40 per cent returning to work within the first year as they expected nonetheless for the remainder there is clearly deterioration in their expectations of finding work.
- 2.69 It is also clear that large differences exist between the employment rates of people with a disability and those without. This provides evidence of the need for government intervention from an equality perspective. Similarly, the relationship between deprivation and levels of IB claiming would indicate that a successful intervention to get IB claimants back to work could have a positive impact on deprived areas.

Table 2.2 IB Claimant Expectations of Return to Work (2nd interview 6-7 months after IB Claim)

	%
In less than 6 months	33
At least a year	9
Will never return	11
Don't know when	37

Source: DWP No. 469, 2007

- 2.70 Therefore, at its most basic level the rationale for Pathways and the associated welfare reforms can be characterised as getting people back into work because it's good for the economy and also for them. It can help in tackling poverty and improving health, particularly in conjunction with improved and better focused occupational health services.
- 2.71 It also has the potential as we have seen from our analysis of the relative employment rates of people with a disability to impact on equality and the government's agenda in terms of "increasing the life chances of disabled people".
- 2.72 Similarly, it has the potential based on our analysis of the relationship between levels of IB claiming and deprivation to make a positive contribution to tackling economic deprivation and poverty in some of the most deprived urban areas.
- 2.73 However, there are also a number of challenges which must be met by the programme, which include the following:
- Appropriate and effective use of conditionality and sanctions in complex decision making situations.
 - The increased incidence of mental health related problems amongst new IB claimants.
 - The attitudes of some employers with regard to employing people with a disability and generally managing illness amongst their employees.
 - The deteriorating performance of the UK and global economies.
- 2.74 In the remainder of the report we look at the success to date of the Pilots in tackling these issues assessed against the aim and objectives established for the Pathways to Work Pilots in Northern Ireland from the outset.

3 The Pathways Pilots

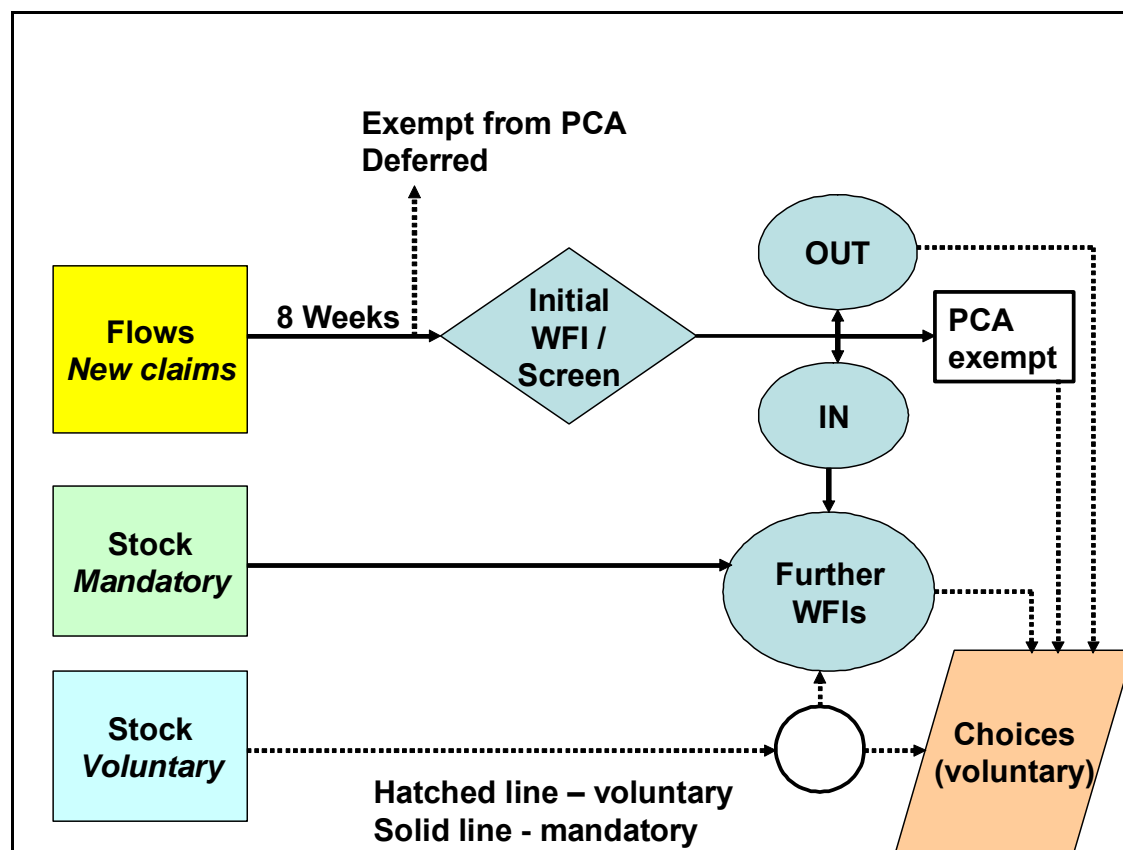
Introduction

- 3.1 This Chapter of the report sets out our understanding of the Pathways process. How it is intended to work and how individuals progress through its various stages? It also sets out the chronology of events to date in relation to the roll-out of the Pathways Pilots within Northern Ireland.
- 3.2 When Pathways was introduced in the White Paper “Pathways to Work: Helping People into Employment” (DWP, Cm 5690, Nov 2002) the following were the key elements of the new policy.
- More skilled adviser support and help to return to work combined with action planning during the early stages of a claim; and,
 - Easier access to the existing range of specialist programmes plus new work-focused rehabilitation programmes, offered jointly by Jobcentre plus and local NHS providers.
- 3.3 In the following paragraphs we look at how these changes have been implemented in Northern Ireland.

Overview on the Process

- 3.4 The key elements of the Pathways process are summarised in Figure 3.1 overleaf and described below⁹.
- 3.5 All clients making a new claim to an incapacity benefit must attend a work-focused interview (WfI) with a Pathways Personal Adviser (PPA) following the eighth week of claim, except in cases where the WfI is waived or deferred. The PPA can defer or waive an interview where, in their opinion, it would not be of benefit to the client at that time.
- 3.6 In order to satisfy the requirements for receiving an incapacity benefit most clients must undergo a Personal Capability Assessment (PCA) which should be completed within 12 weeks of the claim being made. Some clients are exempted from the PCA requirement if their illness or disability is such that they meet the threshold for incapacity without the need for a medical examination e.g. the individual is in receipt of the high care rate for Disability Living Allowance (DLA). PCA exempt clients are not required to participate further in Pathways, but they have the option of choosing to participate on a voluntary basis.

⁹ Source: DEL, Pathways to Work Monitoring Report, April 2007.

Figure 3.1 The Pathways Process: Key elements

- 3.7 In addition to the PCA, which concentrates on the client's incapacity, the examining doctor also completes a Capability Report which focuses on the client's suitability for the Condition Management Programme (CMP). This report is not seen by benefit decision makers but is for use only by the PPA in their work-focused discussions with the client.
- 3.8 At the initial WfI, a statistical profiling technique known as the Screening Tool was applied to all clients except those who are PCA exempt or claiming National Insurance credits only.
- 3.9 The Choices package is available to all Pathways clients, on a voluntary basis. The package comprises a range of new and existing programmes aimed at improving labour market readiness and opportunities. The main elements in Choices are the New Deal for Disabled People (NDDP) and the Condition Management Programme (CMP).
- 3.10 The CMP is a new element and is only offered to Pathways participants. The programme is operated in collaboration with local health providers, with the aim of helping individuals to manage their disability or health condition.
- 3.11 Other elements in the Choices package include the following:

- Work Preparation Programme (WPP). Supported work experience aimed at helping the participant to build up confidence and gain work skills while having one to one support on a work placement.
 - Permitted Work. Within stipulated limits, persons on an incapacity benefit can earn without losing benefit under the Permitted Work scheme, with a view to improving the individual's chances of getting back into work. Under the Permitted Work rules, a person can work for an unlimited period providing they do not earn more than £20 per week. Under the Higher Limit rules, a person can work for up to 26 weeks providing they do not earn more than £72 per week and work on average less than 16 hours per week
- 3.12 The Return to Work Credit (RTWC) is only offered to Pathways participants. The aim is to make more people financially better-off in work and to make the financial transition easier (Green Paper, 2002). It is available to anyone leaving an incapacity benefit for paid work of at least 16 hours a week. Participants who find work of at least 16 hours per week may qualify for a payment of £40 per week for up to one year if their gross annual earnings are less than £15,000.
- 3.13 The Adviser Discretionary Fund (ADF) allows PPAs to make awards of up to £300 per individual within a 12-month period to support activities or purchases that increase their chances of finding work.

Rollout

- 3.14 The Pathways programme was rolled out as shown in Table 3.1. The requirements for participation are as follows:
- In all Pathways areas, participation (at least an initial Pathways Wfl) is mandatory for new/repeat customers (flows).
 - In Pathways phase 1, participation is mandatory for pre-existing claims made between October 2003 and September 2005.
 - In other Pathways areas, participation is voluntary for all pre-existing claims (stocks).
- 3.15 The focus of this evaluation is primarily on new claims commencing post-rollout in phases 1 to 4. This was the main sample frame for the survey of participants.

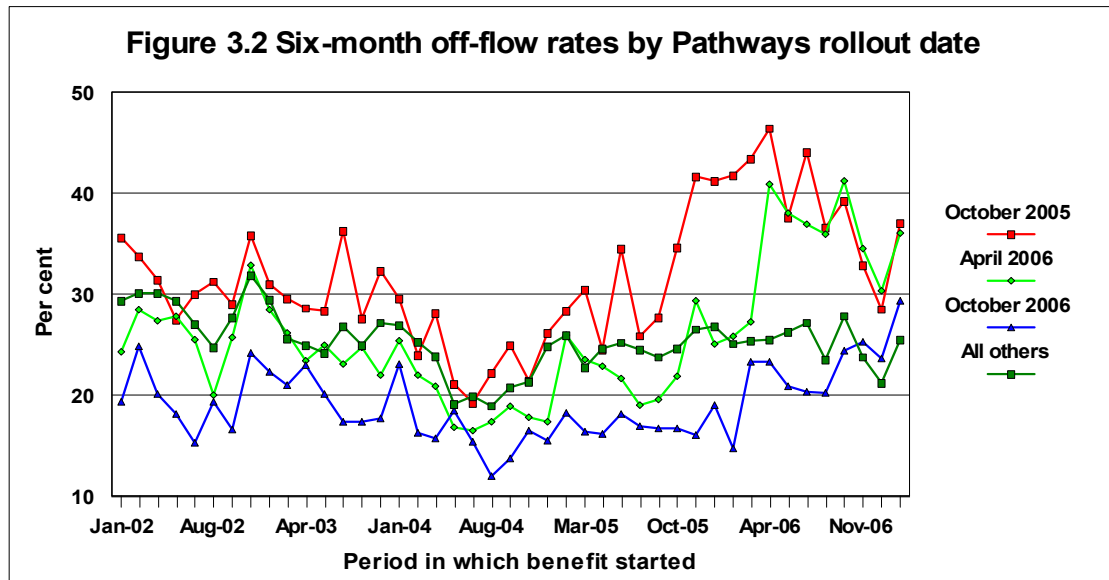
Table 3.1 Pathways rollout by date and offices

Phase	Rollout date	Offices
Phase 1	October 2005	Ballymoney Lurgan Magherafelt
Phase 2	April 2006	Enniskillen Newry Newtownabbey
Phase 3	October 2006	Falls Road Foyle Lisnagelvin Shankill Road
Phase 4	April 2007	Conor Buildings, Belfast Knockbreda Limavady Lisburn
Phase 5	October 2007	Andersonstown North Belfast Holywood Road Armagh Dungannon Omagh
Phase 6	January 2008	Antrim Ballymena Carrickfergus Coleraine Larne Strabane Cookstown
Phase 7	April 2008	Bangor Newtownards Downpatrick Ballynahinch Newcastle Kilkeel Banbridge Portadown

Source: DEL.

Off-flow rates

3.16 Figure 3.2 shows six-month off-flow rates¹⁰ in Pathways Phases 1 to 3 areas, compared to the rest of Northern Ireland. This gives an early indication of performance in the Pathways areas.



3.17 The off-flow rates in Figure 3.3 are based on DSD IB claimant data for IB starts from January 2002 through to August 2007. As the data show new starts through to August 2007, it is only possible to calculate six month off-flow rates through to February 2007. For that reason, only the first three Pathways phases are shown separately, as follows:

- Phase 1 – the first 17 months, from October 2005 to end-February 2007.
- Phase 2 – the first 10 months, from April 2006 to end-February 2007.
- Phase 3 – the first five months, from October 2006 to February 2007.

3.18 The following are the main points of interest in the 6-month rates:

- Phase 1 – a noticeable spike in off-flow rates immediately following Pathways, from an historic average of 29 per cent to a peak off-flow rate of 46 per cent for claims starting in April 2006.

¹⁰ That is, the percentage of IB starts within each period terminating before six months. For example, in Pathways Phase 1, 42 per cent of claims starting in November 2006 were recorded on the DSD dataset as having ended within six months

In subsequent periods, the off-flow rate appears to have settled back to around the mid-30's.

- Phase 2 – As in Phase 1, can see a sharp increase in off-flow rates in the period immediately following the introduction of Pathways. Again, the off-flow rates reduce to around the mid-30s from a peak of around 40 per cent.
- Phase 3 – there is an increase in off-flow rates immediately following Pathways, but less noticeable. As there are fewer observations for the post-Pathways period, the settling-back effect seen in Phases 1 and 2 had not yet emerged.

3.19 The evidence to date from the trend in six-month off-flow rates points to a sharp rise immediately following the introduction of Pathways, followed by a degree of reversion towards the historic levels. In Section 5 below, claimant exit rates are examined in further detail to assess the effect of Pathways, through more detailed analysis of the trends both pre- and post-Pathways and across different areas.

Socio-Economic Characteristics

3.20 A further point to note in relation to the roll-out of Pathways is that the pilot areas show large contrasts in socio-economic characteristics. As can be seen from the area profiles by Pathways phase in Appendix B, Pathways phase 3 is very different to the earlier phases, in the following respects:

- Heavily urban (92 per cent).
- Almost 60 per cent in the 10 per cent most deprived areas of Northern Ireland (Figure 3.3).
- Heavily concentrated in areas where employment rates are in the lowest quartile (by Ward), as are economic activity rates (see Appendix B).

3.21 Phase 3 therefore presents a very sharp contrast not just to the NI average, but also to Phases 1 and 2 and, to a lesser extent, Phase 4. On all indicators of need, the challenge is greatest in the Phase 3 areas. In that context, it would be expected that performance would vary between the different Pathways pilots. This will be further examined in Section 5 below, in the analysis of off-flow rates by phase.

Key Points Summary

- 3.22 In many ways the introduction of Pathways can be viewed as an extension of the principles and approaches that have been used successfully within the New Deals for the unemployed. However, the level of conditionality only extends as far as attendance at the six Wfls and does not include, as in the New Deal, work-related activities such as training or work placement.
- 3.23 The Pathways programme consists of an enhanced role for the Personal Adviser in helping IB customers to return to work. To assist them in making this transition a “Choices” menu of provision is available consisting of the following main elements; Condition Management Programme; Return to Work Credit; Work Preparation Programme; New Deal for the Disabled; and the Advisers Discretionary Fund.
- 3.24 The most novel element of the programme is the introduction of the Condition Management Programme which seeks to help clients to better understand and manage their conditions to enable them to return to work.
- 3.25 The programme has been rolled-out gradually across Northern Ireland in a total of 7 phases. The focus of this evaluation is on the first 3 phases to provide an opportunity to identify the impact of the programme over a reasonable period of time. The first phase rolled-out in October 2005.
- 3.26 Initial data on off-flow rates from incapacity benefits in the pilot areas would indicate that the programme is having an effect. This evaluation will try to identify the duration of these effects and whether they are sustained over time and as the programme is rolled-out to other areas.
- 3.27 There are also marked differences in the socio-economic composition of the three roll-out phases which will provide the evaluators with an opportunity to identify any differential effects relating to these characteristics.

4 Participation and Take-up

Introduction

- 4.1 A key element in the overall impact of Pathways is the level of participation in, and take-up of, the component parts of the programme. The nature and extent of participation in Pathways will also affect the overall cost of the programme¹¹ (Adam *et al*, 2008, p 11).
- 4.2 The purpose of this Section is to provide a statistical analysis of the take-up and utilisation of the components of Pathways, with a particular focus on the new elements of provision available to participants.
- 4.3 The key participation and take-up indicators discussed are as follows:
- **Engagement** - IB claims with 1+ Pathways Wfls *arranged*, that is, clients for whom *at least* the initial Pathways Wfl was scheduled by a PPA (see Figure 3.1 above). This indicator serves to show the extent to which IB clients have been engaged by the pathways process.
 - **Contact** - IB clients with 1+Pathways Wfls *attended*. This indicator shows the extent to which IB clients have come into contact with Pathways Personal Advisers.
 - **Participation** - Pathways clients *attending 1+ follow-up Wfls*. As follow-up Wfls are *only* offered to Pathways clients, this is a direct indicator of participation in Pathways. Follow-up Wfls can be mandatory or voluntary.
 - **Take-up** - The extent to which Pathways clients *avail of one or other of the available choices*. The Return to Work Credit (RTWC) and Condition Management Programme (CMP) are only offered to Pathways clients. Take-up of these choices is entirely voluntary.
- 4.4 As discussed in Section 3 above, a basic distinction can be drawn between IB flows and stocks in Pathways pilot areas. In particular, the mandatory element in Pathways mainly applies to flows i.e. new/repeat claims commencing after the rollout of Pathways in pilot areas. Hence, this Section presents results separately for flows and stocks.
- 4.5 Prior to discussing the main results, the next part of this Section sets out the volumes of IB flows and stocks in Pathways areas from October 2005 through to end-July 2007.

¹¹ See the discussion in Adam *et al*, 2008, Section 2.

IB Claims

- 4.6 As outlined in Section 3, Pathways was rolled out in successive phases, each about six months apart, starting on 3 October 2005 in Ballymoney, Lurgan and Magherafelt. Based on data provided by DSD, Table 4.1 shows the numbers of new/repeat IB claims in each of the Pathways areas from 3 October 2005 through to end-July 2007. In that time period, almost 12,000 new/repeat benefit claims started in Pathways pilot areas. These claims are highlighted in green for each of the four Pathways rollout phases. For example, the DSD data show 1,359 IB starts in the Pathways phase 2 pilot areas between 30 October 2006 and 1 April 2007.
- 4.7 Also shown in Table 4.1, highlighted in yellow, are counts of the numbers of pre-existing claims in each pilot area. For example, when Pathways phase 2 commenced, in Enniskillen, Newry and Newtownabbey, there were 13,004 pre-existing live claims as at the rollout date of 24 April 2006. Of these claims, 8,160 had started prior to October 2003. A further 3,306 had a start date between October 2003 and October 2005 while the remaining 1,538 started between October 2005 and April 2006.

Table 4.1 Incapacity Benefit claims through July 2007: Starting after Pathways roll-out date (flows) and live as at roll-out date (stocks), by claim start-date and roll-out phase

Claim start date:	Phase				All
	1	2	3	4	
Prior to Oct 2003	6,775	8,160	10,525	7,581	33,041
Oct 2003 to Oct 2005	2,951	3,306	3,104	2,206	11,567
Oct 2005 to Apr 2006	1,516	1,538	1,168	750	4,972
Apr 2006 to Oct 2006	1,349	1,702	1,346	927	5,324
Oct 2006 to Apr 2007	1,060	1,359	1,302	987	4,708
Apr 2007 to Jul 2007	692	932	902	893	3,419
All	14,343	16,997	18,347	13,344	63,031
Summary:					
• Flows	4,617	3,993	2,204	893	11,707
• Stocks	9,726	13,004	16,143	12,451	51,324

Key:

	Flows
	Stocks

Source: Derived from benefit claim data supplied by DSD.

- 4.8 In total, therefore, the *potential* pool of participants in Pathways amounted to slightly over 63,000 IB claims. It should be emphasised that this is very much a potential pool of participants. Not all of those who make an IB claim are required to participate on Pathways. Indeed, some IB clients may not stay on the benefit long enough to engage with Pathways. Nonetheless, since it defines a *potential* pool of participants, whether voluntary or mandatory, the matrix of IB claims in Table 4.1 provides the starting point for the analysis of participation in Pathways.
- 4.9 In the analysis that follows, the new/repeat claims (green cells) are referred to as *flows*. The pre-existing claims (yellow cells) are referred to as *stocks*. The distinction is very important. In the time period covered by Table 4.1, only the 2,951 pre-existing claims in the Pathways phase 1 pilot that had started between October 2003 and October 2005 were considered for mandatory participation in Pathways (from June 2006 onwards). The remaining stock claims could participate on a voluntary basis, but there was no mandatory element.

Pathways Wfls

- 4.10 According to data supplied from DEL's CMS, from the initial rollout in October 2005 through to end-September 2007, almost 8,000 individual clients were scheduled for one or more Pathways Wfls. In that period, 21,560 Wfls were arranged and these generated 11,746 attendances by Pathways clients.
- 4.11 Ideally, for the purposes of this analysis, the DEL systems should enable a classification of Wfls into those associated with IB flows and IB stocks, with a further distinction between voluntary and mandatory. Unfortunately, this was not the case, for a number of reasons:
- The CMS coding frame for Pathways Wfls does not permit a direct and unambiguous classification into stocks and flows. For example, while the coding frame includes Pathways Flow and Stock Wfls, there are also codes that do not distinguish the type of Wfl, other than that it is Pathways¹².
 - Inaccuracies and inconsistencies in coding¹³.
 - Clients recently on IB may be scheduled with e.g. a JSA Pathways interview.

¹² These are CMS codes 20 to 28, accounting for four per cent of Wfls arranged through September 2007.

¹³ For example, where a stock client's first interview has been coded as a stock, but the second as a flow and then the third as a stock.

- 4.12 A further difficulty is that receipt of benefit and Pathways Wfl and other data are recorded on separate systems, the former by DSD and the latter on DEL's CMS. The datasets can be linked, but there is no single dataset combining benefit claims, which trigger participation in Pathways, and the Pathways data.
- 4.13 Reflecting the above, the approach taken in this report was to obtain an anonymised dataset containing DSD data on benefits linked to DEL data for participation on Pathways. The IB claims were categorised as flows or stocks depending on their start date relative to Pathways rollout dates. The results of that exercise form the basis of Table 4.1 above. The DEL Pathways data were then linked to a 'trigger' benefit by stacking the benefit claim and CMS records in date order.
- 4.14 The resulting allocations of Pathways Wfls to flows and stocks are summarised in Table 4.2. As can be seen, 95 per cent of Wfls arranged were allocated to an IB claim on the DSD dataset, either as a flow or a stock. Not unexpectedly, given the mandatory element, the vast majority of Wfls were linked to IB flows.

Table 4.2 Pathways Wfls: Summary through end-September 2007

	IB flow	IB stock	Other	All
Wfls arranged				
• Total	17,480	3,022	1,058	21,560
• Per cent of all	81	14	5	100
Wfls attended				
• Total	9,438	1,761	547	11,746
• Per cent of all	80	15	5	100
Individual clients				
• Total	6,198	1,130	670	7,998
• Per cent of all	77	14	8	100

Source: Derived from Wfl data supplied by DEL combined with benefit claims data supplied by DSD.

- 4.15 Five per cent of Wfls arranged were not allocated to a specific IB claim for the analysis in this Section. This was due to a number of factors, including missing local offices (so a pilot area could not be determined), IS or JSA Pathways Wfls for which a proximate IB claim could not be found, and a small number of Wfl records which did not link to the DSD benefits dataset.

Flows

Introduction

4.16 The Pathways process involves a number of discrete stages. Progression through these stages takes time. In order to give as full a picture as possible, and reflecting the inevitable time lags between benefit start date and e.g. scheduling of Wfls, build-up of attendances, etc., this Section focuses primarily on claims commencing in pilot areas from October 2005 through to 2 April 2007.

4.17 The scope of the analysis of Pathways flows in this Section is as follows:

- New/repeat claims made by persons aged 18-59.
- Claims commencing prior to 2 April 2007. This includes rollout phases 1 to 3 but not phase 4 where Pathways commenced on that date.
- Pathways Wfls and choices through to end-September 2007 which could be linked to the foregoing IB flows.

4.18 The detailed statistical results by claim start date and Pathways rollout phase are presented in Appendix C below. While these are not discussed in the text, for completeness sake the detailed Appendix tables include Pathways-related activity through to end-September 2007 for the phase 4 pilot area

Work-focused Interviews

4.19 Between October 2005 and April 2007 a total of 7,826 new/repeat IB claims started in the first three Pathways pilot areas following the phased rollout of the initiative in those areas. By October 2006, Pathways had been rolled out across three pilot areas and hence the largest number of claims, representing 45 per cent of the total, occurred in the period from October 2006 to April 2007 (Table 4.3).

4.20 By end-September 2007, at least one Pathways Wfl had been arranged for 64 per cent of the new/repeat IB claims, ranging from 59 per cent in the phase 2 pilot to 69 per cent in the phase 3 pilot (see Appendix C, Table C.1).

- 4.21 There are a number of reasons why a Pathways Wfl was arranged for fewer than two in three new/repeat IB claims. For some clients, Wfls may be deferred or waived. Or the individual may have terminated the claim before the Pathways process is initiated after the eighth week. In addition, almost 40 per cent of IB claims are credits only¹⁴, for whom participation was not mandatory..

Table 4.3 Work-focused interviews in Pathways pilot areas: Flows to April 2007

	Claim start date:			All
	Oct 05- Apr 2006	Apr 06- Oct 06	Oct 06 – Apr 07	
New claims				
• Number	1,434	2,872	3,520	7,826
1+ Wfls arranged				
• % of claims	62	65	63	64
1+ Wfls attended				
• % of arranged	84	78	81	80
• % of claims	52	50	52	51

Sources: Derived from data supplied by DEL and DSD.

- 4.22 However, as CMS only holds information on individual clients for whom a Pathways Wfl has been arranged, it is not possible from the combined benefit claims and Pathways activities dataset constructed for this evaluation to precisely identify the reasons why Pathways Wfls were not arranged. This is a gap in the monitoring arrangements that needs to be filled.
- 4.23 Of the 64 per cent of claims for which Wfls were arranged, the attendance rate was 80 per cent, ranging from 78 per cent in the phase 2 pilot to 87 per cent in phase 3.
- 4.24 Consequently, by end-September 2007, just over half (51 per cent) of all new claims in Pathways areas through to April 2007 had attended one or more Wfls.

¹⁴ That is, clients meeting the eligibility criteria for IB, but who have not made sufficient National Insurance contributions to qualify to receive payment. They are credited with pension contributions and gain access to other benefits such as Income Support with a disability premium

Screening outcomes

4.25 The initial Wfl attended by a mandated Pathways flow client includes a screening process which aims to classify individuals according to their likelihood of exiting from IB within one year. The screening outcome is based on the individual's responses to a set of questions concerning previous work history, health, expectations regarding a return to work, etc. These responses are processed via a tool which returns a score giving the relative likelihood of the individual exiting IB within one year. Individuals are then classified as screened in or out, as follows:

- **Screened in.** The client is deemed to need additional help in order to exit IB and is required to attend further follow-up interviews during his or her spell on IB.
- **Screened out.** The client is considered likely to exit IB within one year. Further participation by those screened out is voluntary, including attendance at follow-up Wfls.

4.26 Of those attending one or more Pathways Wfls, 59 per cent were screened in with 26 per cent being screened out (Table 4.4). Considering only those clients who were screened *in or out*, 31 per cent were screened out (that is, 26 as a percentage of [26+59]). This was in line with what the expectation that around 30 per cent of mandated clients would be screened out (DEL, Pathways to Work Monitoring Report, April 2007, para 5.4).

Table 4.4 Screening outcomes (IB claims through April 2007)

	Per cent of:		
	1+ Wfl attended %	1+ Wfl arranged %	All claims %
Screened in	59	47	30
Screened out	26	21	13
Other outcome	6	5	3
None recorded	10	8	5
All	100	80	51

Sources: Derived from data supplied by DEL and DSD.

- 4.27 There was some variation by pilot area, with the proportion screened out ranging from 34 per cent in the first phase pilot to 22 per cent in the third phase. The latter, it will be recalled, includes the Falls, Shankill and Foyle offices. These three offices have the largest concentration of most deprived inner-city areas among any of the first three pilots and this is reflected in the comparatively low proportion screened out in those areas.
- 4.28 The rationale for the screening tool is to focus the effort and available resources on those who are most in need of the help that Pathways can provide, thereby increasing the efficiency and value-added of the programme. At the outset of a claim, it is not possible to be certain that a person will exit IB within a given timeframe. All that can be done is to predict the probability that the event will occur. In that circumstance, there are two main risks that resources may be misdirected:
- **False positives.** Some of those screened out actually need help in getting off IB.
 - **False negatives.** Some of those screened in will exit IB regardless of any assistance provided by Pathways.
- 4.29 These risks are further examined later in this Section, when considering benefit off-flows by routes through Pathways.

Follow-up Wfls

- 4.30 The incidence of follow-up Wfls is an important measure of participation in Pathways, as this is an element of provision that was not available in non-Pathways offices. The extent of participation in follow-up Wfls also has implications for the additional costs incurred by the initiative.
- 4.31 For new claims starting in Pathways areas between October 2005 and April 2007, almost one in two of those who attended their initial Wfl went on to attend one or more follow-up Wfls (Table 4.5). This represented 39 per cent of clients for whom 1+ Wfl had been arranged. By end-September 2007, one in four new claims in the first three Pathways phases had participated in at least one follow-up Wfl. This level of participation is identical to what is reported by Adam *et al* for the seven original pilot sites in Great Britain.
- 4.32 Among those attending at least one Pathways Wfl, the mean number of attendances through to end-September 2007 was two (Table 4.5). One in five of those attending 1+ Wfls attended one follow-up Wfl only, with a further 17 per cent attending one subsequent interview (Table 4.6. See also Table C.2 for the distributions by claim start date).

Table 4.5 Participation in follow-up work-focused interviews in Pathways pilot areas: Flows to April 2007

	Claim start date:			All
	Oct 05- Apr 2006	Apr 06- Oct 06	Oct 06 – Apr 07	
1+ follow-up Wfls attended				
• % of all with 1+ attendance	52	50	47	49
• % of all with 1+ interview arranged	43	40	39	39
• % of claims	27	25	24	25
Total Wfls attended				
• Mean per claim with 1+ attendances	2.3	2.0	1.8	2.0

Sources: Derived from data supplied by DEL and DSD.

4.33 A minority of Pathways clients (13 per cent of all with 1+ Wfl attendance) attended four or more Wfls i.e. one initial Wfl plus three or more follow-up Wfls (Table 4.6. See also Table C.2 for the distribution by claim start date). Partly, this reflects time lags in the Pathways process; the earlier the claim start date, the more likely was a client to have participated in a total of *four or more Pathways interviews* by end-September 2007 (see Table C.2), as follows:

- Among those starting a claim between October 2005 and April 2006, 22 per cent of those with 1+ Wfl attendance.
- For claims starting between April 2006 and October 2006, 11 per cent had attended 4+ Pathways interviews by end-September 2007.
- For claims starting between October 2006 and April 2007, eight per cent.
- For claims starting between April 2007 and July 2007, fewer than one per cent had attended four or more Wfls by end-September 2007.

Table 4.6 Wfl attendances: Distribution (IB claims through April 2007)

	Per cent of:		
	1+ Wfl attended %	1+ Wfl arranged %	All claims %
One attendance only	51	41	26
Two	20	16	10
Three	17	14	9
Four	6	5	3
Five	5	4	2
Six or more	2	1	1
All	100	80	51

Sources: Derived from data supplied by DEL and DSD.

Patterns of participation

4.34 The foregoing patterns of participation in Pathways Wfls are summarised in Table 4.7. Measuring participation by attendance at one or more follow-up interviews, there main groups of participants can be distinguished:

- **The screened-in.** Two in three attended at least one follow-up interview.
- **The screened-out.** One in four attended at least one follow-up interview.
- **Other clients.** One in four attended at least one follow-up interview.

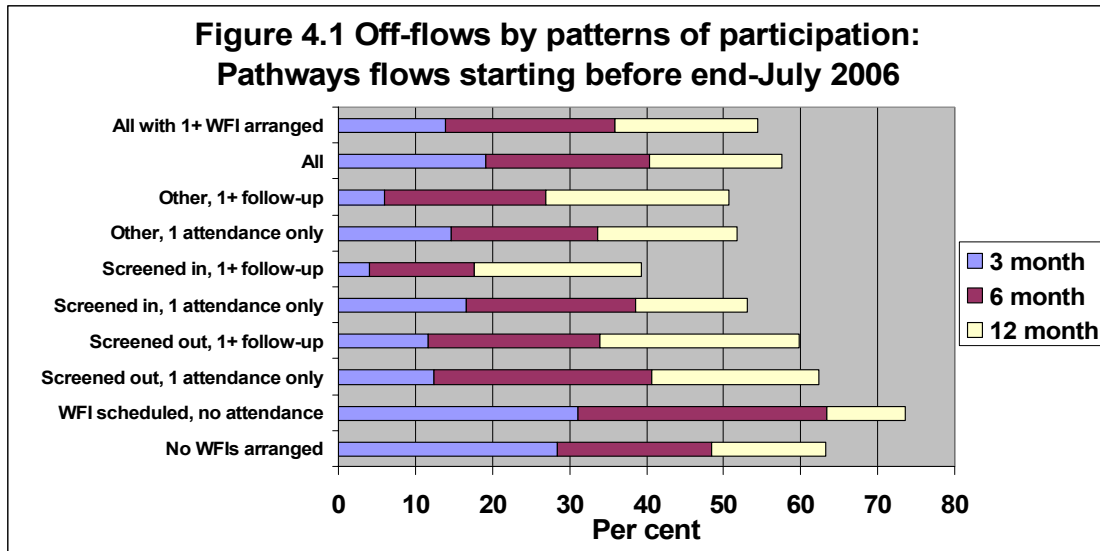
4.35 As indicated by the participation of those who were screened in, the mandatory element was the largest driver of attendance at one or more follow-up interviews. In total, the screened-in accounted for 78 per cent of those attending one or more follow-up interviews, followed by the screened out at 13 per cent and others at nine per cent. Albeit a minority element, voluntary participation would appear to have accounted for over one in five claims with a follow-up Wfl.

Table 4.7 Patterns of participation: Pathways flows through April 2007

	Per cent of:		
	All claims	All with 1+ Wfls attended	All with 1+ follow-up Wfls
	%	%	
No Wfl arranged	36	-	-
Wfl arranged, no attendance	12	-	-
Screened out, 1 attendance only	10	19	-
Screened out, 1+ follow-up	3	7	13
Screened in, 1 attendance only	10	20	-
Screened in, 1+ follow-up	20	39	78
Other, 1 attendance only	6	12	-
Other 1+ follow-up	2	4	9
All	100	100	100

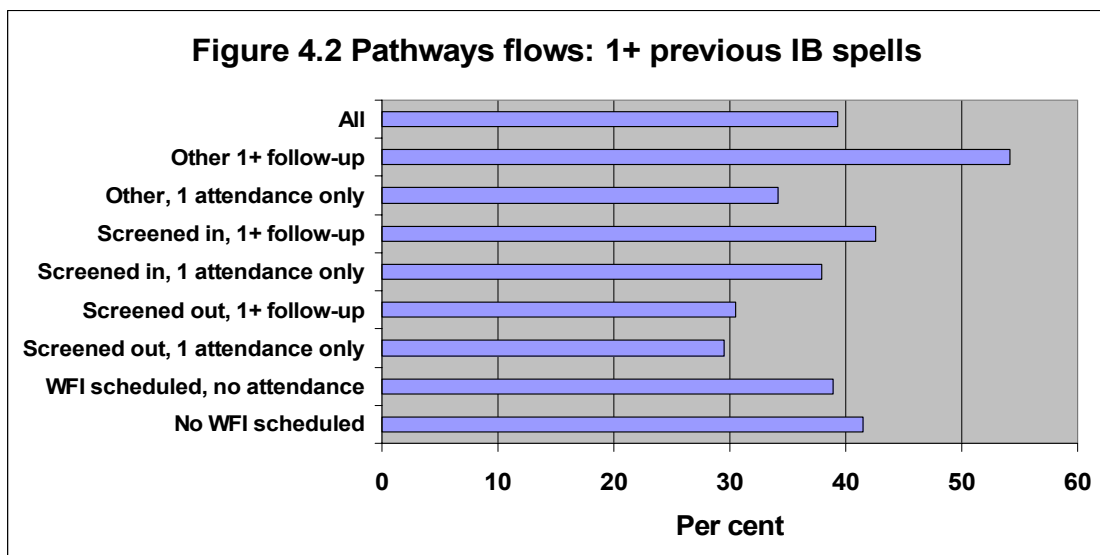
Sources: Derived from data supplied by DEL and DSD.

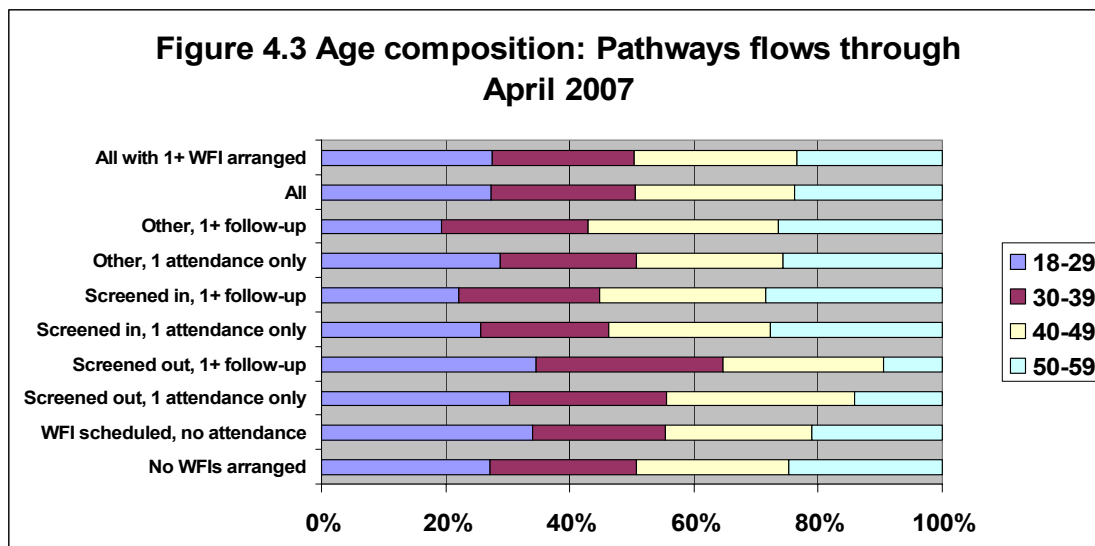
- 4.36 Compared to those who were screened in, those screened out were more likely to have ended their claim within 12 months. Considering only those claims commencing before end-July 2006 (and for which 12-month exit rates can therefore be calculated), 62 per cent of the screened-in had ended their IB claim after 12 months (Figure 4.1). At 53 per cent, the exit rate for those screened in but who did not attend a follow-up Wfl was not much further behind the screened out. The main contrast is with the screened-in who participated in one or more follow-up interviews; their 12-month exit rate was 39 per cent.
- 4.37 On the one hand, the 12-month exit rates would suggest that the screening tool was an imperfect predictor of the likelihood of an IB exit after 12 months, since 38 per cent of the screened-out were still on IB after 12 months. However, it would also appear that the screening tool provides some indication of proximity to the labour market. In particular, the lower exit rate of those who were screened in and who went on to participate in a follow-up Pathways Wfl would suggest that the screening tool was of some value in distinguishing those who were furthest from the labour market and most in need of help in exiting IB.



4.38 Further evidence in that regard can be gleaned from variations in the incidence of previous spells on benefit by route through Pathways. As shown in Figure 4.2, the screened-in were more likely than the screened-out to have experienced at least one previous spell on IB. Similar patterns can be seen in the incidence of previous spells on JSA, IS and other disability benefits (see Table C.3 in Appendix C).

4.39 In addition, those who were screened in included a relatively high proportion of persons in the 50-59 age group (28 per cent) by comparison with the screened-out (13 per cent) (Figure 4.3). This is relevant because, as reported in the Bewley *et al* (2007) study of Pathways in GB, persons aged 50+ tend to experience greater difficulty in making a transition from IB to work.





4.40 Two final points can be made regarding the characteristics of claimants by routes through Pathways. First, there were some variations in the incidence of different main conditions by routes through the programme. In particular, persons with an injury or other external condition accounted for one in five of those who were screened out compared to eight per cent of the screened in (Table C.4). This type of condition is associated with faster exit rates from IB (Section 5 below).

4.41 Second, the ‘non-participants’, comprising those with zero WfIs scheduled or no WfI attended, are likely to comprise a heterogeneous group. For example, they showed the highest IB exit rates, especially the 3-month rate, combined with a slightly above average incidence of previous spells on IB. Some will have flowed off to a job. Others may have gone on to some other benefit, such as JSA. The latter outcome could be monitored and this would be an interesting exercise.

Choices

4.42 The information provided from DEL's CMS permits an analysis of take-up of five programmes, as follows:

- Condition Management Programme (CMP).
- Work Preparation Programme (WPP).
- Return to Work Credit (RTWC).
- New Deal for Disabled People (NDDP) subsidised employment.
- Other NDDP.

4.43 The first three programmes – CMP, WPP and RTWC – are of particular interest in assessing take-up of choices by Pathways participants, since these represent new elements of provision.

4.44 Through September 2007, 18 per cent of those with 1+ Wfls arranged had taken up one or other of the choices on offer (Table 4.8. See also Table C.5). The RTWC was the most popular choice, followed closely by the CMP. Almost one in two of those taking up a choice (46 per cent) opted for the RTWC with 40 per cent availing of the CMP.

Table 4.8 Take-up of choices (through September 2007): IB flows commencing in pilot areas up to April 2007

	Per cent of:		
	All with 1+ choices %	1+ Wfl arranged %	All claims %
CMP	40.4	7.4	4.7
WPP	14.1	2.6	1.6
RTWC	46.1	8.4	5.4
NDDP subsidised employment	0.9	0.2	0.1
NDDP other	10.2	1.9	1.2
Any programme	111.8	18.2	11.6
None		81.8	88.4
All		100.0	100.0

Sources: Derived from data supplied by DEL and DSD.

- 4.45 When analysed by patterns of participation, take-up of any one or more choices option was highest among those who were screened out and went on to participate in one or more follow-up Wfls. Amongst that group, 56 per cent took one or more of the choices, compared to 26 per cent of those who were screened in and went on to attend 1+ follow-up Wfls (Table 4.9). The main driver in the higher take-up rate among the participating screened out was RTWC, with a 38 per cent take-up rate.

Table 4.9 Take-up of choices and patterns of participation: Pathways flows through April 2007 – Per cent of claims

	CMP	WPP	RTWC	Any
	%	%	%	%
No Wfl arranged	0.0	0.1	0.2	0.4
Wfl arranged, no attendance	0.3	0.0	3.7	4.0
Screened out, 1 attendance only	3.0	0.8	7.9	11.3
Screened out, 1+ follow-up	13.9	9.0	38.0	56.0
Screened in, 1 attendance only	3.6	1.5	3.1	8.2
Screened in, 1+ follow-up	15.5	4.7	7.7	25.6
Other, 1 attendance only	2.5	0.6	8.8	11.7
Other 1+ follow-up	14.7	6.5	21.8	40.6
All claims	4.7	1.7	5.4	11.1
All with 1+ Wfl arranged	7.4	2.6	8.4	17.2

Sources: Derived from data supplied by DEL and DSD.

- 4.46 Those who were screened out and did *not* participate in follow-up Wfls had an eight per cent take-up of RTWC. Consequently, the screened-out accounted for a higher share of those opting for RTWC than the screened-in; the former group accounting for 38 per cent of the RTWC total compared to the latter group's 34 per cent share (see Table C.6b). As the screened-out could be viewed as closer to the labour market than the screened-in, their higher rate of take-up of RTWC would appear to raise an issue around the additionality of the support given via that option. This issue is further examined in Section 6 below.
- 4.47 By contrast, take-up of the CMP was highest amongst those who were screened in and who participated in 1+ follow-up Wfl (15.5 per cent). This group accounted for 65 per cent of all those who opted for the CMP (Table C.6b). Including the screened out-and others, those who participated in follow-up interviews accounted for 82 per cent of those choosing the CMP.

Stocks

Introduction

4.48 Within each Pathways area, IB stocks are defined to comprise claims that started before Pathways rolled out in that area and which were still live on the date that Pathways rolled out. For that reason, the following analysis includes all four Pathways rollout phases through April 2007. The main distinction drawn is between mandatory and voluntary stocks. The former refers to claimants in the Pathways phase 1 pilot area whose claims commenced between October 2003 and October 2005. These claimants became subject to consideration for mandatory participation on Pathways in June 2006. At that time, 95 per cent of those who had a live IB claim starting between October 2003 and October 2005 in the phase 1 pilot areas were still on IB.

Work-focused Interviews

4.49 In the Pathways phase 1 pilot area, a Pathways Wfl had been arranged by September 2007 for one in five of those with a pre-existing claim commencing between October 2003 and October 2005 (Table 4.10). This is likely to have reflected the introduction of the mandatory element, since voluntary participation in other Pathways areas was in the 1-2 per cent range for those with a pre-October 2005 claim start date. A Pathways Wfl was arranged for a slightly higher proportion of those starting post-October 2005 (3 per cent).

Table 4.10 Work-focused interviews in Pathways pilot areas: Stocks

	Claim start date:				All
	Pre- Oct 03	Oct 03 – Oct 05		Post Oct 05	
		Phase 1	All other		
Pre-existing claims¹					
• Number	32,638	2,771	8,206	6,357	49,972
1+ Wfls arranged					
• % of claims	1	21	2	3	2
1+ Wfls attended					
• % of arranged	79	86	64	67	78
• % of claims	1	18	1	2	2

¹ Live claim as at rollout of Pathways in pilot area.

Sources: Derived from data supplied by DEL and DSD.

4.50 Among the stock clients, attendance at Pathways Wfls was 78 per cent, comparable to the figure for flows (see Table 4.3 above). This was, however, mainly due to the above-average attendance rate among the mandatory IB stocks (86 per cent).

Follow-up Wfls

4.51 Amongst those for whom a Pathways Wfl was arranged, participation in follow-up Wfls averaged out at 50 per cent amongst the IB stocks. This was on a par with the figure for IB flows (see Table 4.5 above). But, again, the main driver was an above average participation rate by the mandatory stocks (67 per cent).

4.52 Similar to the IB flows, relatively few of the mandatory stocks had attended more than two follow-up Wfls (i.e. more than three Wfls in total). By September 2007, 13 per cent of the mandatory stocks with 1+ Wfl attendances had attended four or more Wfls (one initial plus 3+ follow-up interviews) (Table 4.12. See also Table C.8).

Table 4.11 Participation in follow-up work-focused interviews in Pathways pilot areas: Stocks

	Claim start date:				All
	Pre- Oct 03	Oct 03 – Oct 05		Post Oct 05	
		Phase 1	All other		
1+ follow-up Wfls attended					
• % of all with 1+ attendance	33	67	21	32	50
• % of claims	0	12	0	1	1
Total Wfls attended					
• Mean per claim with 1+ attendances	1.6	2.2	1.3	1.6	1.9
1 Live claim as at rollout of Pathways in pilot area. Sources: Derived from data supplied by DEL and DSD.					

4.53 When measured relative to the total stock of IB claims, it can also be seen that, at least through September 2007, voluntary participation in follow-up Wfls amounted to one per cent or less.

**Table 4.12 Wfl attendances: Distribution (IB claims through April 2007)
Phase 1 pilot stocks with claims commencing October 2003-October
2005**

	Per cent of:		
	1+ Wfl attended %	1+ Wfl arranged %	All claims %
One attendance only	33	29	6
Two	30	26	5
Three	26	22	5
Four	5	5	1
Five	3	3	1
Six or more	2	1	0
All	100	86	18

Sources: Derived from data supplied by DEL and DSD.

Choices

- 4.54 Among the mandatory IB stocks, the CMP was the most popular of the Pathways choices. Almost one in two (47 per cent) of those taking up a Pathways choice opted for the CMP compared with 30 per cent for the RTWC and 22 per cent for the WPP (Table 4.13 overleaf. See also Table C.9).
- 4.55 The pattern of choices made by the mandatory stocks differs from the overall picture for IB flows, amongst whom the RTWC was the most popular choice (compare with Table 4.9 above). It is, however, broadly similar to the take-up pattern amongst IB flows who were screened in and attended one or more follow-up interviews; as shown in Table 4.10 above, the CMP was also the most popular choice amongst this group for whom participation in follow-up interviews was mandatory.
- 4.56 By contrast, amongst the voluntary stocks, the RTWC was most often chosen, by 47 per cent of those taking up one or more choice (Table 4.14). This is similar to the take-up rate among the voluntary participating IB flows i.e. those who were screened out but subsequently attended one or more follow-up interviews.
- 4.57 It would, therefore, seem that the RTWC is more likely to be chosen by clients whose participation in follow-up Wfls is voluntary whereas the CMP is more likely to be chosen by those whose participation is mandated.

**Table 4.13 Take-up of choices (through September 2007): IB stocks
Phase 1 pilot area starting Oct 2003-Oct 2005**

	Per cent of:		
	All with 1+ choices	1+ Wfl arranged	All claims
	%	%	%
CMP	46.9	10.5	2.2
WPP	22.3	5.0	1.0
RTWC	30.0	6.7	1.4
NDDP subsidised employment	0.8	0.2	0.0
NDDP other	19.2	4.3	0.9
Any programme	119.2	22.4	4.7
None		77.6	95.3
All		100.0	100.0

Sources: Derived from data supplied by DEL and DSD.

**Table 4.14 Take-up of choices (through September 2007): IB stocks – All
other areas**

	Per cent of:	
	All with 1+ choices	1+ Wfl arranged
	%	%
CMP	22.6	5.7
WPP	20.5	5.1
RTWC	47.3	11.8
NDDP subsidised employment	2.7	0.7
NDDP other	24.7	6.2
Any programme	117.8	25.0
None	-	75.0
All	-	100.0

Source: Derived from data supplied by DEL and DSD.

Key Points Summary

- 4.58 This Section has presented an analysis of activities on Pathways through to end-September 2007. The main findings are as follows.
- 4.59 **Engagement.** As measured by the proportion of IB claims for which 1+ Pathways Wfls was arranged, engagement was largely driven by the mandatory element. At least one Pathways Wfl was arranged for 64 per cent of IB flows commencing in Pathways areas between October 2005 and April 2007. The comparable figure for IB stocks considered for mandatory participation from June 2006 onwards was 21 per cent. Amongst the IB stocks for whom participation was voluntary, engagement was in the region of 1-2 per cent.
- 4.60 **Contact.** Four in five (80 per cent) IB flows for whom 1+ Wfl was arranged went on to record at least one attendance with a Pathways Personal Adviser. Measured relative to the total number of IB flows in the period from October 2005 to April 2007, the contact rate was 51 per cent. Contact was much lower among the IB stocks, measured at 18 per cent of mandatory stock clients and 1-2 per cent amongst other IB stock claims in Pathways areas.
- 4.61 **Participation.** Follow-up Wfls are a new element of provision in Pathways and provide a good indicator of participation in the initiative. The analysis shows that one in four IB flows participated in one or more follow-up Wfls. This is identical to the participation rate reported for the first seven pilot areas in Great Britain (Adam *et al*, 2008). Mandated clients, measured by those who were screened in at their initial Pathways interview, accounted for 78 per cent of flows attending 1+ follow-up Wfl.
- 4.62 The mandatory element was therefore the key driver in stimulating participation. But one in four of those who attended an initial interview and were screened out went on to attend 1+ follow-up Wfls, indicating an appetite also for voluntary participation to avail of the Pathways offering. Participation was much lower among the stocks. One in eight mandatory stock claims participated in 1+ follow-up Wfls. Relative to the total number of IB stock claims in other areas, the participation rate was less than one per cent.
- 4.63 **Exit rates** from Pathways varied by route through the programme. Considering IB flows commencing in the period to June 2006, the 12-month exit rate for the screened out was 62 per cent. This would suggest that the screening tool was an imperfect predictor of the likelihood of an IB exit after 12 months, since 38 per cent of the screened out were still on IB after 12 months.

- 4.64 However, it would also appear that the screening tool provides some indication of proximity to the labour market. In particular, the lower exit rate of those who were screened in and who went on to participate in a follow-up Pathways Wfl would suggest that the screening tool was of some value in distinguishing those who were furthest from the labour market and most in need of help in exiting IB.
- 4.65 **Take-up.** Amongst the IB flows with whom contact was made (1+ Wfl arranged), 18 per cent took up one or more of the Pathways choices. The RTWC was the most popular choice (46 per cent of those taking up an option) followed by the CMP (40 per cent). Within that overall picture, there were important contrasts by route through the programme.
- 4.66 Take-up of any one or more option was highest (56 per cent) among those who were screened out and voluntarily participated in 1+ follow-up Wfls. Amongst those who were screened in, take-up of any option was 26 per cent for those who participated in 1+ follow-up Wfls with eight per cent of the remainder taking up at least one choice.
- 4.67 Amongst the screened out participants, the RTWC was the most popular choice. Indeed, the screened out accounted for a higher share of all those taking the RTWC choice than did those who were screened in at their initial Pathways Wfl. Those who were screened out are likely to have been closer to the labour market than those who were screened in. Hence, their higher take-up of RTWC poses issues around the additionality of the support from that option.
- 4.68 By contrast, take-up of CMP was highest among those who were screened in. They accounted for 65 per cent of all those taking up CMP through September 2007.
- 4.69 Amongst the stocks, a broadly similar picture emerged. The mandatory stocks were more likely to take up CMP while the voluntary stocks tended to opt for RTWC. It would, therefore, seem that the RTWC is more likely to be chosen by clients whose participation in follow-up Wfls is voluntary whereas the CMP is more likely to be chosen by those whose participation is mandated.

5 Flows Off Incapacity Benefit

Introduction

- 5.1 This Section focuses on flows off Incapacity Benefit in the Pathways areas. The key issue addressed is whether Pathways has had a discernible effect in stimulating a faster off-flow rate by new/repeat IB claimants.
- 5.2 The Pathways effect on off-flow rates is assessed by applying the difference-in-differences (DID) model to administrative data provided by DSD containing information on new IB claims from 2002 through to 2007.
- 5.3 The basic idea behind the DID model is to compare differences in outcomes pre-and post-Pathways in the pilot areas with differences observed pre- and post-Pathways in a set of comparison areas. As noted by Bewley *et al*, “the validity of the approach rests on the assumption that, in the absence of Pathways, outcomes in the pilot areas would have changed in a similar way to outcomes in the comparison areas”.
- 5.4 The next part of this Section outlines the approach taken, including the specification of comparator periods and areas. A range of comparator periods is specified in order to test for the consistency of any observed Pathways effects in each of the first three phases. The remainder of the Section presents the findings for each of three off-flow rates i.e. 18 months, 12 months and six months.

Approach

- 5.5 As illustrated in Table 5.1, the first step in the application of the DID model is to measure the indicators of interest - IB off-flow rates in this instance - both pre- and post-Pathways in both the pilot and comparator areas. The second step is to compute the differences in IB off-flow rates pre- and post-Pathways separately for the pilot and comparator areas.
- 5.6 The third and final step is to compute the difference between the pilot and Pathways areas in their respective differences over time. This gives the effect of Pathways over and above what would be expected if the change in off-flow rates pre- and post-Pathways in the pilot areas had simply tracked the trend in the comparator areas, where Pathways was not available.

Table 5.1 Difference-in-differences model

	Pilot areas	Comparator areas
1. Indicators – Flows off Incapacity Benefit		
Pre-Pathways	FP_0	FC_0
Post-Pathways	FP_1	FC_1
2. Differences over time		
Differences	$DP = FP_1 - FP_0$	$DC = FC_1 - FC_0$
3. Difference in differences		
Pathways Effect	$DP - DC$	

- 5.7 The DID model therefore involves comparisons both over time and geographically¹⁵.
- 5.8 The comparator *time periods* for the analysis presented in this Section are shown in Table 5.2 below. For example, the post-Pathways 18-month exit rates are calculated for claims commencing in the period October 2005 to February 2006. This period can be compared with claims starting in each of the three periods listed in Table A5.2 below i.e. the corresponding period in 2004-05, 2003-04 and 2002-03.
- 5.9 The rationale for choosing a range of comparator periods was three-fold:
- To assess the stability or otherwise of IB off-flow rates e.g. is there any evidence that off-flow rates were improving in either or both of the Pathways and comparator areas.
 - To assess the consistency of any differences found between Pathways and comparator areas.

¹⁵ To that extent, the method controls for unobserved differences that remain constant over time between the pilot and comparison areas; any such time-invariant differences are effectively removed through the differencing over both time and space.

**Table 5.2 The effect of Pathways on flows off Incapacity Benefit:
Comparator time periods for claims starting by exit rate**

Exit rate		
18 month	12 month	6 month
Post-Pathways – claims starting:		
Oct 05 – Feb 06	Apr 06 – Aug 06	Oct 06 – Mar 07
Pre-Pathways – claims starting:		
Oct 04 – Feb 05	Apr 05 – Aug 05	Oct 05 – Mar 06
Oct 03 – Feb 04	Apr 04 – Aug 04	Oct 04 – Mar 05
Oct 02 – Feb 03	Apr 03 – Aug 03	Oct 03 – Mar 04

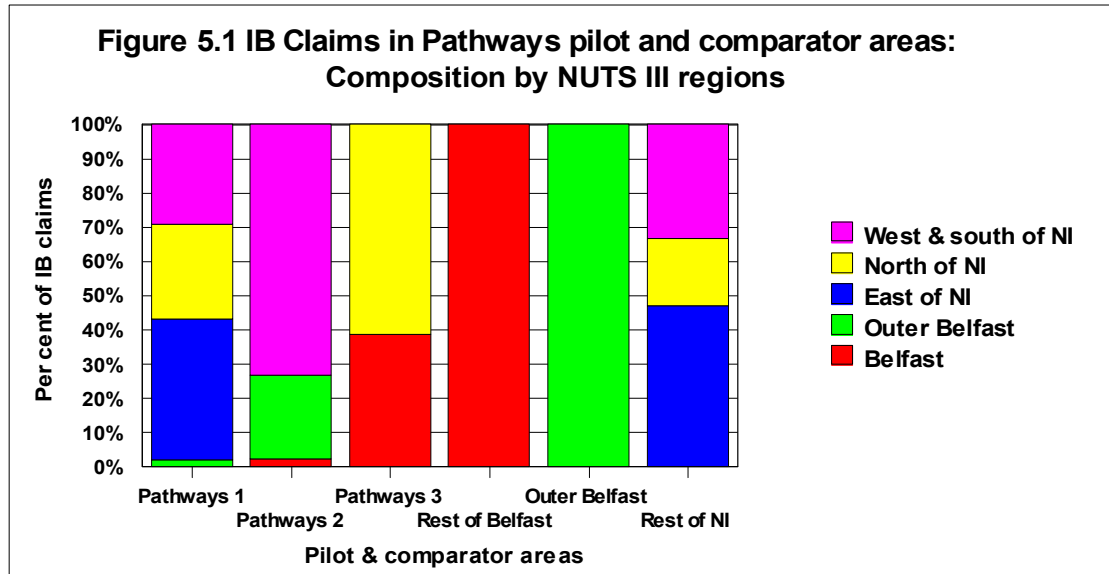
- To maximise the use of the available IB claim data. The DSD dataset contains information on over 143,000 new/repeat claims dating from October 2002 through to August 2007.

5.10 The starting point in constructing *comparator areas* was to divide Northern Ireland into six sub-regions, as follows:

- Pathways phase 1 i.e. Ballymoney, Lurgan and Magherafelt.
- Pathways phase 2 i.e. Enniskillen, Newry and Newtownabbey.
- Pathways phase 3 i.e. Falls Road, Foyle, Lisnagelvin and Shankill Road.
- Belfast excluding Falls Road and Shankill Road.
- Outer Belfast, excluding Newtownabbey.
- Rest of Northern Ireland, excluding Pathways areas.

5.11 The composition of the six areas by NUTS III sub-region¹⁶ is shown in Figure 5.1, based on all new IB claims from 2002 onwards¹⁷. In the analysis presented in this Section, comparisons are made as follows:

¹⁶ NUTS III (Nomenclature of Units for Territorial Statistics) regions are the European Commission's classification of sub-national areas for statistical purposes. They are amalgamations of district council areas (see DETI, 2007. Local Area Database 2006. Available at <http://www.detini.gov.uk/cgi-bin/downdoc?id=3367>).



- Pathways Phases 1 and 2 are compared with the Rest of NI area.
- Pathways Phase 3 is compared with the Rest of Belfast area.

5.12 The rationale for the choice of comparator areas is as follows. Pathways Phase 3 is essentially comprised of highly urbanised local offices, both in Belfast and Derry. This is also the main feature of the Rest of Belfast area as defined above. The Rest of NI area is mainly comprised of District Towns and their rural hinterlands. This was found to work well in practice as a comparator for both the Pathways Phase 1 and 2 areas.

5.13 In addition, when calculating Pathways effects for each of the first three phases, it was possible to adjust for a number of factors that might be expected to affect geographical differences in off-flow rates, including:

- Differences between areas in the characteristics of customers i.e. age, sex, main condition, whether PCA exempt or not.
- Differences in area characteristics i.e. whether urban or rural, NISRA's NI Measure of Multiple Deprivation scores, and local (Super Output Area) IB claim rates measured relative to the working-age population.

5.14 These differences in claimant and area characteristics were taken into account by means of a statistical model of IB off-flow rates, which was used to calculate adjusted DID Pathways effects.

¹⁷ IB claims were allocated geographically by Census Output Areas (COAs).

5.15 Based on all of the above, the design of the DID analysis of the Pathways effect on IB off-flow rates is summarised in Table 5.3 below. The main features are as follows:

- 18 month off-flow rates – as the DSD IB data were available only through to August 2007, the DID approach can only be applied to the Pathways phase 1 area. These are compared with the same rates for 2002-03, 2003-04 and 2004-05 in the Phase 1 area and with the same rates for the Rest of NI area.
- 12-month off-flow rates – these can be calculated post-Pathways in the phase 1 and 2 areas. They are compared with the Rest of NI area.
- 6-month off-flow rates – these can be calculated for each of the Pathways phase 1, 2 and 3 areas. The comparisons are made over time as indicated in Table 5.2 above and with the comparator areas shown in Table 5.3.

Table 5.3 The effect of Pathways on flows off Incapacity Benefit: Design

Pilot area:	1	2	3
Rollout date:	3 Oct 2005	24 Apr 2006	30 Oct 2006
Off-flow indicators:			
• 18 month rate for claims starting:	Oct 05 – Feb 06		
• 12 month rate for claims starting:	Apr 06 – Aug 06	Apr 06 – Aug 06	
• 6 month rate for claims starting:	Oct 06 – Mar 07	Oct 06 – Mar 07	Oct 06 – Mar 07
Comparator areas:			
Belfast, excl Falls & Shankill			√
Outer Belfast, excl Pathways			
Rest of NI, excl Pathways	√	√	

5.16 The 18-month off-flow rates for the pre- and post-Pathways time periods are shown for each of the six areas outlined above in Figures C5.1a to C5.1f in Appendix C. The 12-month rates for each area are reproduced in Figures C5.2a to C5.2f. Finally, the 6-month rates are shown in Figures C5.3a-C5.3f.

5.17 Two points can be noted at this juncture from the charts in Appendix C, as follows:

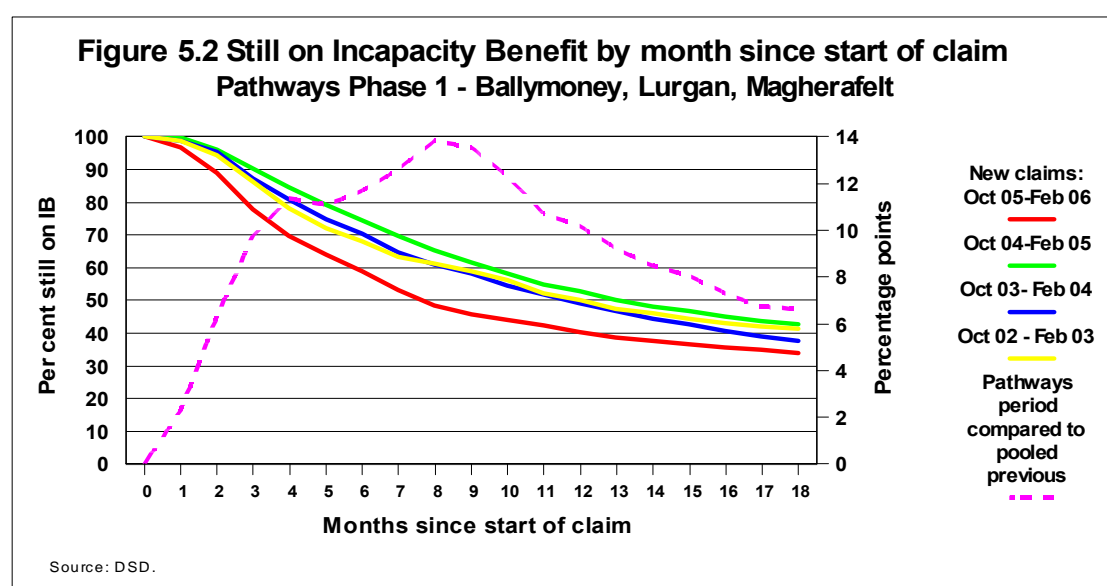
- In the non-Pathways areas, benefit off-flow rates have been remarkably stable over the various time periods considered, both pre- and post-Pathways e.g. the 18 month rates in Figures C5.1d to C5.1f.
- In the Pathways areas, off-flow rates have similarly shown very stable patterns in the pre-Pathways time periods, but the post-Pathways rates have shown a marked divergence e.g. Figure C5.1a, Figures C5.2a-C5.2b and Figures C5.3b-C5.3c.

5.18 The remainder of this Section focuses on the Pathways effects, starting with the 18-month off-flow rates.

Off-flow Rates: Phase 1

5.19 As noted above, it is only possible to implement the DID analysis for the first Pathways pilot, launched on 3 October 2005 in Ballymoney, Lurgan and Magherafelt. In subsequent Pathways phases, there are too few cases for analysis of 18-month exit rates from the IB claims dataset through to August 2007.

5.20 According to the DSD dataset, in the period from the rollout of Pathways in October 2005 to end-February 2006, 1,063 IB claims started in the Pathways phase 1 pilot areas. Post-Pathways, IB clients had higher off-flow rates compared to earlier periods. After 18 months post-Pathways, one in three claims (34 per cent) was still live (Figure 5.2). This compares with an average of 41 per cent in the phase 1 areas in the corresponding months of 2002-03, 2003-04 and 2004-05.



- 5.21 The 18-month off-flow rate in the Pathways phase 1 period for claims starting between October 2005 to end-February 2006 was therefore 66 per cent compared to an average of 59 per cent in the pre-Pathways comparator time periods. The *gross difference* between the pre- and post-Pathways time periods in the phase 1 areas was therefore *seven percentage points*¹⁸.
- 5.22 Interestingly, the gross difference between pre- and post-Pathways periods rose steadily through to the eighth month, peaking at 14 percentage points. After the eighth month, the off-flow rates in the post-Pathways period flatten out more quickly than in the pre-Pathways periods. Hence, the post-Pathways off-flow rates begin to converge on the pre-Pathways rates from about month 15 onwards.
- 5.23 The inverted-U shaped pattern of gross effects shown in Figure 5.2 is strongly indicative of a timing effect from Pathways. That is, one of the effects of introducing Pathways was to bring forward exits from IB that would have occurred anyway at some later stage.
- 5.24 Bringing the comparator area into the frame makes relatively little difference to the Pathways effect. For clarity sake, the pre-Pathways comparator periods have been pooled in Figure 5.3¹⁹. As can be seen, monthly off-flow rates in the comparator areas pre-Pathways are virtually indistinguishable from the same time period in the Pathways phase 1 pilot. This provides strong assurance regarding the use of the comparator area for the DID analysis.
- 5.25 Furthermore, the monthly off-flow rates in the comparator area in the post-Pathways time period²⁰ are virtually identical to the pooled average of rates pre-Pathways in the comparator area²¹. After 18 months, the *unadjusted Pathways effect* is therefore *seven percentage points*²².

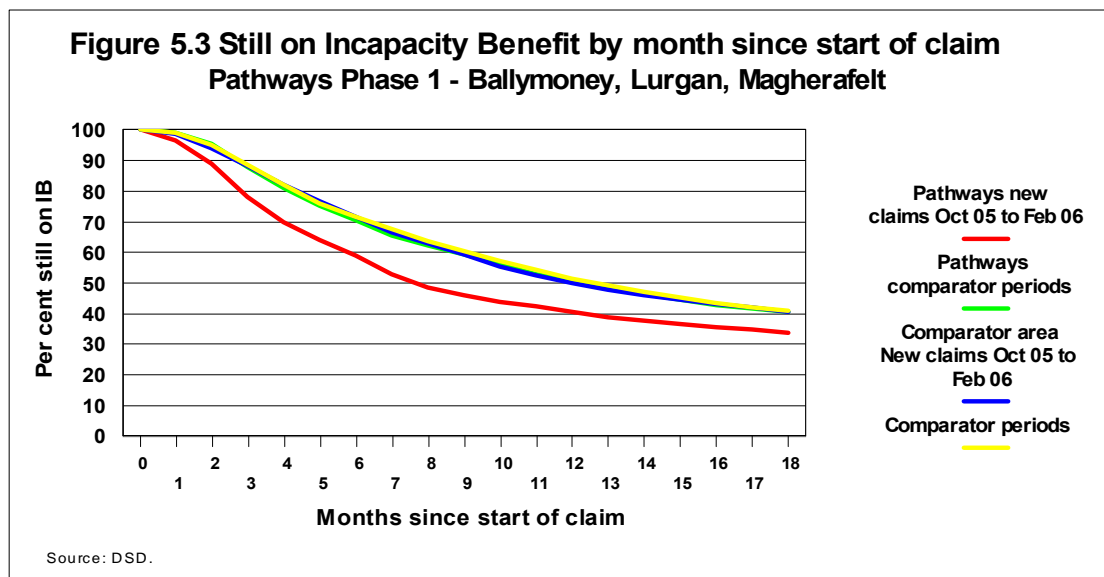
¹⁸ In terms of the model described in Table 5.1, DP = 7 pps.

¹⁹ See Figure C5.1f for all three the pre-Pathways periods in the comparator area. As can be seen, the three periods show little variability over time, suggesting that pooling is a feasible approach.

²⁰ That is, IB claims starting in the comparator area in the period from October 2005 (when Pathways was launched) to February 2006.

²¹ In terms of the model described in Table 5.1, DC = 0 pps.

²² In terms of the model described in Table 5.1, Pathways effect = DP-DC = 7-0.



5.26 Finally, an *adjusted Pathways effect* has been estimated by means of a statistical model for calculating the difference between the IB off-flow rates in the Pathways areas and the comparators *after* controlling, or allowing, for differences between the pilot and comparator areas in the characteristics of claimants (e.g. age and sex composition) and geographical attributes (e.g. the urban/rural split and deprivation). The statistical modelling gives an adjusted Pathways effect for the 18-month off-flow rate of *eight percentage points*²³. The adjusted result is not much different from the unadjusted effect of seven percentage points, which suggests that the picture shown in Figure 5.3 primarily represents an effect from Pathways, rather than differences between the pilot and the comparator areas in client or geographical attributes.

5.27 The statistical modelling exercise also serves to highlight factors that are positively or negatively associated with exits from IB before 18 months, as follows²⁴:

- Age – the older the claimant, the lower the probability of an exit from IB before 18 months. This reinforces the point made in Section 4 above regarding the age composition of those screened in for assistance from pathways.
- PCA exempt – this has a very strong negative association with the probability of exiting IB before 18 months.

²³ The effect is statistically significant at 99 per cent.

²⁴ Note that the individual characteristics of claimants included in the modelling exercise were limited to variables that are available from the DSD administrative dataset.

- Main condition – the probability of exiting IB before 18 months was significantly lower for persons whose main condition is mental/behavioural. Statistically, those whose main condition was to do with an injury or other external cause were more likely to exit before 18 months compared to any other main condition.
- Urban/rural – for a claimant living in an urban area, the odds of exiting IB before 18 months were estimated as 15 per cent lower than those for a client from a rural area.
- Area deprivation –the higher the employment deprivation score, the lower the probability of an exit before 18 months.

Off-flow Rates: Phase 2

5.28 The analysis of 12 month off-flow rates is based on new claims made in Pathways areas between April 2006 and Aug 2006. Notwithstanding the shorter duration, this has two advantages:

- It is now possible to also analyse the Pathways effect in the phase 2 areas i.e. Enniskillen, Newry and Magherafelt.
- The effect in the phase 1 pilot areas can be assessed for a period that is six months subsequent to the initial Pathways launch.

5.29 The 12 month off-flow rates for Pathways phase 1 are shown in Figure 5.4 with the phase 2 rates shown in Figure 5.5²⁵. The timing effect that was evident from the 18 month off-flow rate is again apparent in both Pathways phases. As for the earlier period discussed above, the Pathways effect widens up to about the eighth month before starting to narrow through to the twelfth month.

5.30 Again, there is very little difference between the pre- and post-Pathways off-flow rates in the comparator area. Hence, the gross Pathways effects for phases 1 and 2 mainly derive from the pre- and post differences within those areas. Interestingly, the gross effects hardly differ between the two phases (Table 5.2). Similarly, the modelled Pathways effects for each phase are very close to the gross effects. Though, extrapolating from the 18 month rates discussed above, it would be expected that the Pathways effects shown in Table 5.2 would narrow over time.

²⁵ The detailed results for the three separate comparator periods can be found in Figures C5.2a (phase 1), C5.2b (phase 2) and C5.2f (Rest of NI comparator area).

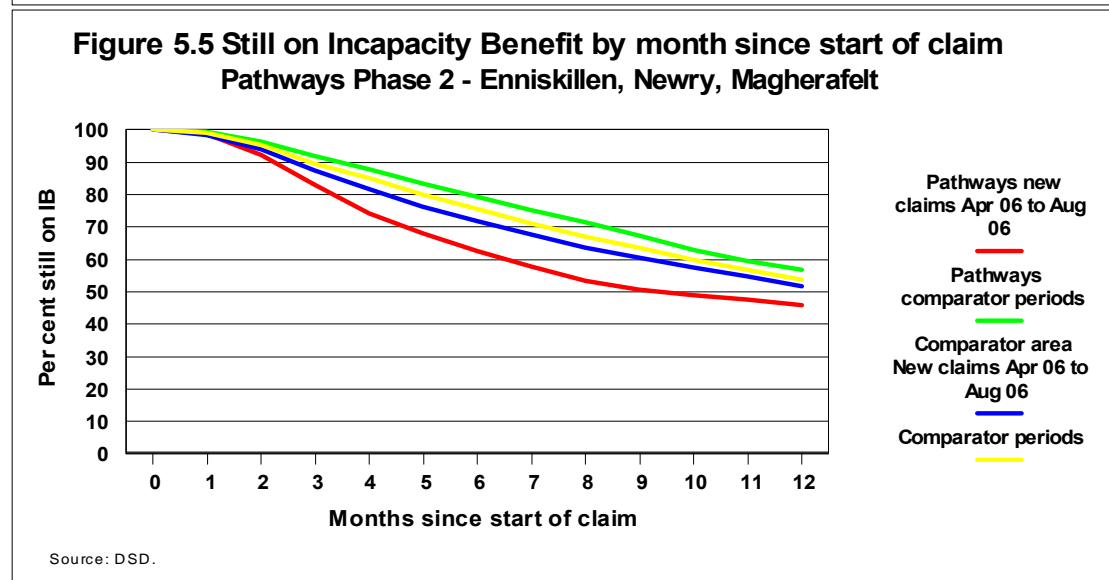
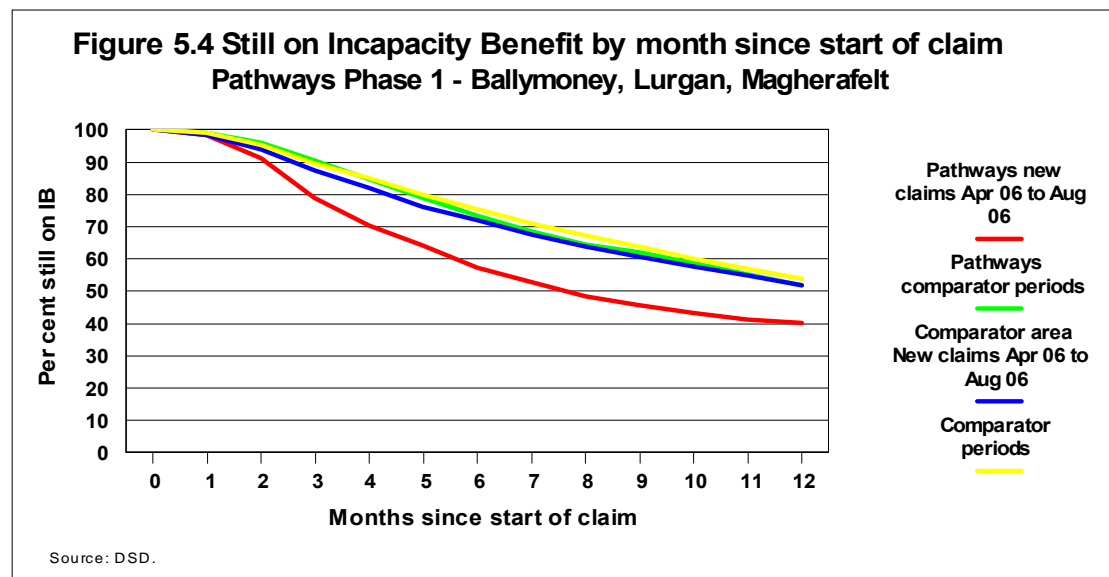


Table 5.2 Off-flows from IB: Gross and modelled effects of Pathways on probability of exiting within 12 months of claim start – IB claims starting April 06-Aug 06

Pathways pilot area	Gross effect ¹	Adjusted effect ²
	<i>pps</i>	<i>pps</i>
Phase 1	+11.6	+10.0
Phase 2	+10.8	+9.5

1 Pathways areas only - Percentage points difference in per cent left IB between post-Pathways Pathways rollout phase and pre-Pathways time periods in same area.

2 Modelled difference between Pathways area post rollout, adjusted for pre-Pathways time periods in same and comparator areas and post-Pathways rates in comparator area.

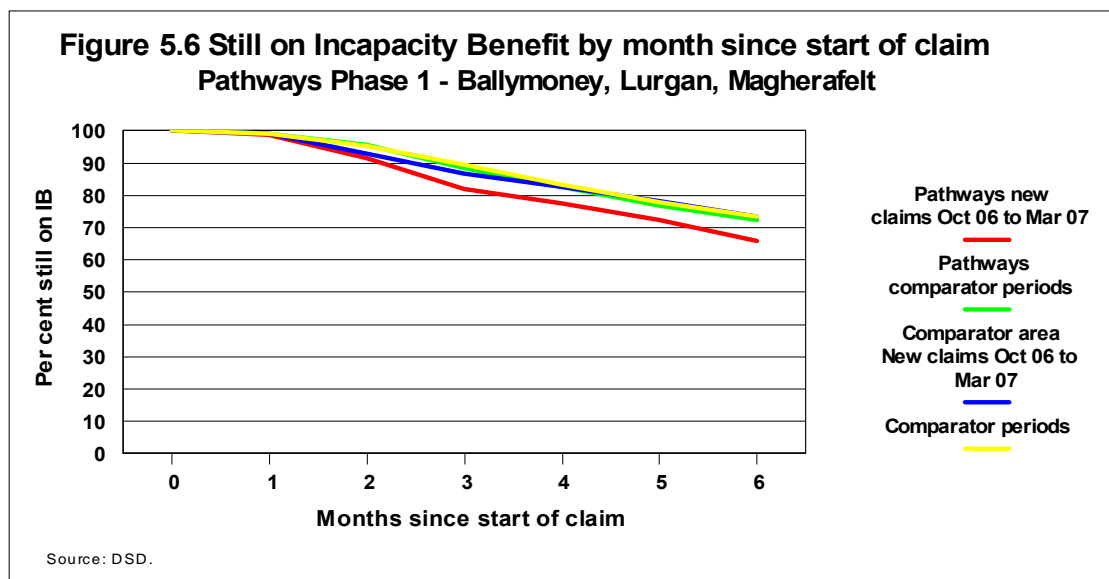
Off-flow Rates: Phase 3

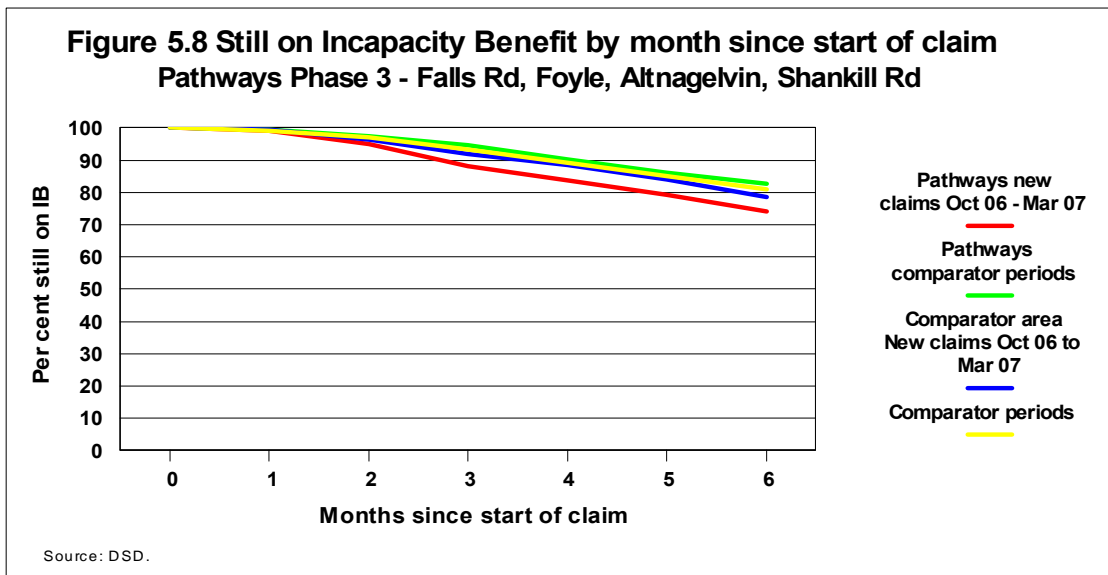
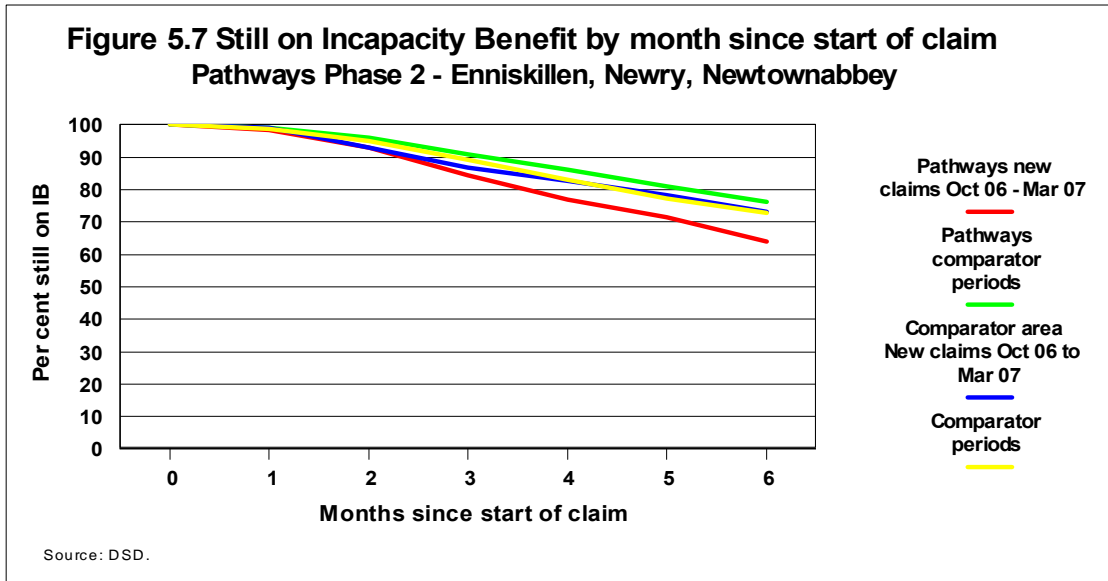
5.31 One conclusion to be drawn from the analysis to date is that six-month off-flow rates are of most use in signalling the timing effect of Pathways i.e. bringing forward IB off-flows that would occur anyway at some later stage. It is, nonetheless, useful to consider the six month off-flow rates for claims commencing in the period from October 2006 to March 2007, for two reasons:

- To assess the persistence of the Pathways effect in the phase 1 and 2 areas.
- To identify if the timing effect, at least, was apparent in the Pathways phase 3 area. This is especially interesting since a large majority (60 per cent) of IB claimants in the phase 3 area live in Northern Ireland's most deprived localities.

5.32 The six month off-flow rates are shown in Figures 5.6-5.8 for, respectively, the phase 1, 2 and 3 Pathways areas. In each area, it is again possible to discern an effect of Pathways on IB off-flow rates.

5.33 In the phase 1 area, the gross Pathways effect after six months is six per cent. While still positive, it can be noted that this is only about half the magnitude of the gross six month effect for IB claims starting in the six months following the October 2005 phase 1 roll-out; from the gross effects difference curve in Figure 5.2, for claims starting between October 2005 and February 2006, the gross effect after six months was 12 percentage points. The disparity would suggest that the Pathways timing effect persists, but may diminish over time. This conclusion is strengthened by the out-turn for the phase 2 area.





5.34 In the phase 2 area, the gross Pathways effect after six months for claims starting between October 2006 and March 2007 is 12 per cent (Table 5.3). The comparable rate for claims starting between April 2006 and August 2006, immediately following the phase 2 launch, was 17 percentage points. Again, therefore, the timing effect persists but at a reduced level.

5.35 In the phase 3 area, the gross Pathways effect for claims starting in the first six months post-rollout was eight percentage points. This was statistically significant, with a modelled effect of 6.5 percentage points (Table 5.3). On the one hand, this is less than the post-rollout six month rates in the phase 1 (12 percentage points) and phase 2 (17 percentage points) areas. However, given that the phase 3 area contains a much higher proportion of the most deprived areas in Northern Ireland, the fact that the Pathways effect was positive is an encouraging sign.

Table 5.3 Off-flows from IB: Gross and modelled effects of Pathways on probability of exiting within 6 months of claim start – IB claims starting Oct 06-Mar 07

Pathways pilot area	Gross effect ¹	Adjusted effect ²
	<i>pps</i>	<i>pps</i>
Phase 1	+6.4	+7.8
Phase 2	+12.2	+15.0
Phase 3	+8.4	+6.5

1 Pathways areas only - Percentage points difference in per cent left IB between post-Pathways Pathways rollout phase and pre-Pathways time periods in same area.
2 Modelled difference between Pathways area post rollout, adjusted for pre-Pathways time periods in same and comparator areas and post-Pathways rates in comparator area.
Sources: Modelled from DSD administrative data.

Key Points Summary

- 5.36 This Section has sought to estimate the effects of Pathways on off-flows from Incapacity Benefit. The main findings are summarised in Table 5.4 overleaf.
- 5.37 In the Pathways phase 1 area it was possible to calculate 18 month off-flow rates for claims that commenced in the six months immediately following the pilot rollout, i.e. October 2005 to end-February 2006. The estimated Pathways effect was +8 percentage points i.e. after 18 months, the proportion of claimants who had left IB following the launch of Pathways was 8 percentage points higher compared to what would have been expected from the pre-Pathways position and the trend in a comparator area.
- 5.38 In the phase 1 pilot, when analysed on a monthly basis, the gross Pathways effects exhibited an inverted-U shaped pattern, peaking at eight months after the claim started before converging back towards the pre-Pathways position.
- 5.39 Thus, while the post-Pathways effect was still significant even after 18 months, the monthly pattern of gross effects is strongly indicative of a timing effect from Pathways. That is, one of the effects of introducing Pathways was to bring forward exits from IB that would have occurred anyway at some later stage.

- 5.40 Analysis of 12 month and six month off-flow rates for later periods in the phase 1 pilot indicate that the Pathways timing effect persists, but may diminish over time. A similar conclusion was drawn from the analysis of six and 12 month rates in the Pathways phase 2 area.

Table 5.4 Off-flows from IB: Gross and modelled effects of Pathways – Summary

IB claims starting:	Pathways pilot area	Gross effect ¹	Adjusted effect ²
		<i>pps</i>	<i>pps</i>
Oct 05-Feb 06			
18 month off-flow rate	Phase 1	+6.7	+7.8
April 06-Aug 06			
12 month off-flow rate	Phase 1	+11.6	+10.0
	Phase 2	+10.8	+9.5
Oct 06-Mar 07			
6 month off-flow rate	Phase 1	+6.4	+7.8
	Phase 2	+12.2	+15.0
	Phase 3	+8.4	+6.5

1 Pathways areas only - Percentage points difference in per cent left IB between post-Pathways Pathways rollout phase and pre-Pathways time periods in same area.

2 Modelled difference between Pathways area post rollout, adjusted for pre-Pathways time periods in same and comparator areas and post-Pathways rates in comparator area.

Sources: Modelled from DSD administrative data.

- 5.41 Insofar as they point to a timing effect from Pathways, the findings in this Section are consistent with the evidence from Great Britain²⁶. The main GB studies did not, however, find a statistically significant effect of Pathways on the 18-month off-flow rate. This is in contrast to the finding in this report. As further evidence becomes available with the passage of time, it will be important to analyse whether the finding reported here for the phase 1 pilot extends to other Pathways areas and later periods in the same area. That is, to what extent can the positive 18 month effect for the phase 1 area be considered a sustainable impact of the Pathways programme?

²⁶ See, for example, Adam *et al*, 2008, page 88. See also Bewley *et al*, 2007.

6 Participants' Outcomes

Introduction

6.1 This Section examines the effect of individuals' participation in Pathways on a range of outcomes, as follows:

- **Employment** – to what extent has Pathways increased the likelihood of a participant exiting from IB into employment?
- **Earnings** – among those in employment, has Pathways had an effect on earnings?
- **Job search** – among those who are not in employment, has participation in Pathways increased the likelihood of searching for work i.e. moving closer to the labour market?
- **Receipt of Incapacity Benefit** – what has been the effect on receipt of IB?
- **Health** – has there been any discernible effect of Pathways on the probability of individuals reporting a limiting health condition or disability?

6.2 The foregoing questions have been addressed by means of a survey of participants on Pathways. The survey, which was undertaken in March 2008, included both Pathways stocks and flows. In addition, a sample of non-participating IB flows was undertaken to enable comparisons to be made with observed outcomes for Pathways flow participants. This comparative perspective is the key methodological ingredient in assessing the effect of Pathways on the outcome indicators listed above.

6.3 The survey design and methodology is explained in detail in Appendix A. The next part of this Section presents an overview on the approach to estimating Pathways effects on participants. The remainder of this Section presents the survey findings for each of the main indicators listed above.

Approach

6.4 The survey undertaken for this evaluation was designed around three groups of IB clients:

- Pathways stocks – a sample size of 300.
- Pathways flows – sample size of 600.

- Comparator flows – sample size of 600.
- 6.5 The sample frame for Pathways stocks comprised all those for whom 1+ Wfl had been arranged in the period from October 2005 to September 2007. Of the sample of 300, 140 were mandatory stock clients, having commenced their benefit claim between October 2003 and October 2005 in the first Pathways pilot area.
- 6.6 The sample frame for Pathways flows was focused on those for whom 1+ Wfl had been arranged and at least one Wfl had been attended, through September 2007. Clients who participated in one or more programmes were also included.
- 6.7 The rationale for specifying the sample frame in this manner, rather than including all IB flows over the relevant period, was to focus the survey resources on those who had participated to at least a minimum extent in the Pathways process, even if only in the screening process. As this is an interim evaluation, it was felt to be important to obtain as much information as possible, within the available resources, on the experiences and perspectives of those who had actively participated in Pathways.
- 6.8 The distribution of the Pathways flow sample by patterns of participation is shown in Table 6.1. The sample includes those who were screened out as well as those screened in. In that regard, it will be recalled that the screened out were an important source of take-up of the package of Pathways choices and the RTWC work incentive.

Table 6.1 Pathways flow sample by patterns of participation

	%
Wfl arranged, no attendance	2
Screened out, 1 attendance only	27
Screened out, 1+ follow-up	7
Screened in, 1 attendance only	20
Screened in, 1+ follow-up	39
Other, 1 attendance only	4
Other, 1+ follow-up	2
All	100

Source: Survey of participants.

- 6.9 The primary purpose of the IB comparators flow sample is to facilitate analysis of the effects of participation on Pathways, compared with what might have otherwise occurred. For that reason, the approach taken was to match the comparator flow sample frame with the Pathways sample frame on a range of factors for which data were available, including age, sex, community background, location (e.g. deprivation levels, local labour market activity) and benefits history.
- 6.10 The specification of the sample frame for the comparator flows is described fully in Appendix A. The starting point in designing the sample frame for the comparator flows comprised those who had started IB in the period since October 2005 and for whom an IB Wfl had been arranged *and* attended at non-Pathways Jobs and Benefits Offices through to end-September 2007. The requirement that comparator flows should have attended their scheduled IB Wfl was imposed in order to minimise variations in unobserved characteristics between the flow comparators and the Pathways flow sample e.g. factors that might affect the decision whether or not to attend a Wfl interview.
- 6.11 The evidence from the survey results would suggest that the comparator flow sample is well-matched with the Pathways flow sample. Along with the Pathways stocks, the two flow samples are profiled in Table D.1 in Appendix D. No statistically significant differences were found between the flow samples across a range of socio-demographic characteristics, including age, sex, marital status, religion, caring responsibilities, etc. Furthermore, no significant differences were found on important indicators of employability, such as highest qualification obtained, work history, access to car, van or motor vehicle, etc.
- 6.12 The only difference of note between the two samples is the slightly higher proportion of respondents living in Northern Ireland's most deprived areas in the Pathways flow sample (18 per cent) as compared with the comparator flow sample (11 per cent). This is a consequence of the relative concentration of the most deprived areas in the Pathways phase 3 local office areas.
- 6.13 As the Pathways and comparator flow samples are well-matched, the assessment of Pathways effects in this Section is primarily based upon percentage points differences (pps) between the two samples for each of the main outcome indicators e.g. the percentage points difference between the proportion of Pathways flow participants who were in work at the time of the survey and the same proportion calculated for the comparator flows. Where appropriate, this approach is supplemented by the use of multivariate statistical models to provide a further check on the raw or unadjusted survey differences.

Employment

Current status

6.14 The survey findings for current employment status are shown in Table 6.2 (see also Table D.1). Considering first the Pathways effects, as measured by differences between the two flows sample, the main points of note are as follows:

- Pathways flow participants were more likely than the comparator flows to be in work, by a margin of five percentage points. The difference is statistically significant.
- When those with a job lined up are included, a little over one in three Pathways flow participants reported a positive employment outcome, compared to 27 per cent of the comparators. The seven percentage points difference is statistically significant.

Table 6.2 Employment status (*Base=all*)

	Stocks	Flows		<i>Diff</i> <i>pps</i>
		Pathways	Comparators	
	%	%	%	
In work	25	29	24	<u>4.9</u>
• Employee	16	22	18	<u>4.4</u>
• Self-employed	6	5	5	0.0
• Work trial	1	1	0	1.3
• Voluntary work	2	0	1	-0.8
Job lined up	1	5	3	1.9
• New	0	2	1	0.6
• Previous	1	3	2	1.3
All in work or with job lined up	26	34	27	<u>+6.8</u>
<i>Base</i>	300	600	600	

Statistically significant differences underlined.

Source: Survey of participants.

- 6.15 The difference in the likelihood of being in work or having a job lined up was further assessed by estimating a statistical model²⁷ to adjust for any differences between the Pathways and comparator samples in socio-demographic characteristics, employability attributes, location and benefit history. When this was done, the modelled Pathways effect was estimated to be in the range 6-8 percentage points. This encompasses the raw survey estimate, reflecting the extent to which the two samples are matched on the relevant predictor variables.
- 6.16 The survey results can therefore be viewed as providing evidence that Pathways increases the probability of being employed by about seven percentage points. Albeit there are differences in survey design, the estimated employment effect for Northern Ireland is almost identical to the finding for the Great Britain pilot reported in Bewley *et al* (2007)²⁸.
- 6.17 The NI survey findings also indicate that Pathways employment effects take time to materialise. As can be seen from the results by claim start date, the employment effects for the Pathways flow participants were largely concentrated amongst those whose IB claim had started between October 2005 and October 2006 (Table 6.3 overleaf). More recent IB claimants in Pathways areas showed no difference in employment outcomes by comparison with the relevant comparator sub-samples.
- 6.18 Turning to the Pathways stocks, slightly over one in four (26 per cent) said they were in work or had a job lined up. As the stock sample was not matched, this should not be compared with the flow samples in assessing any putative effect of Pathways.
- 6.19 It is, however, interesting to find that the employment outcome was most positive for those stock participants whose benefit claim started before October 2003; at the time of the survey, 43 per cent were in work or had a job lined up.
- 6.20 By contrast, those who started their benefit claim in the period October 2003 to October 2005 were less likely to report having a job (21 per cent). This sub-group includes the mandatory stock clients in the first Pathways pilot area. Indeed, their employment outcome was even lower, at 17 per cent. Excluding the mandatory stock participants, the employment rate for the remaining stock participants was 34 per cent, on a par with the Pathways flow participants.

²⁷ A logistic regression model in which the dependent variable is being in work or having a job lined up.

²⁸ The GB study was based on a cohort of persons enquiring about IB. The Bewley *et al* employment effect was estimated from a follow-up survey conducted some 18 months after the initial enquiry.

Table 6.3 Employment status by claim start date (*Base=all*)

	Stocks	Flows		<i>Diff</i> <i>pps</i>
	%	Pathways %	Compara- tors %	
Prior to Oct 2003	43	-	-	-
Oct 2003-Oct 2005	21	-	-	-
Oct 2005-Apr2006	10	46	32	<u>13.9</u>
Apr 2006-Oct 2006	12	37	24	<u>12.8</u>
Oct 2006-April 2007	33	29	29	0.1
Apr 2007 and later	-	29	21	7.4
All	26	34	27	<u>+6.8</u>
<i>Base</i>	300	600	600	

Statistically significant differences underlined.

Source: Survey of participants.

- 6.21 It is plausible that the large, and statistically significant, difference between the mandatory and voluntary stock participants reflects a degree of self-selection amongst the latter sub-group. That is, the voluntary stock participants are comprised of clients with a more positive attitude and approach to exiting IB and finding employment, by comparison with those who were mandated to participate and might not otherwise have done so.
- 6.22 In that regard, it will be recalled from the analysis in Section 4 above that the voluntary stock participants were more likely to take-up the RTWC than were the mandatory stock participants (compare Tables 4.13 and 4.14 above).

Main job

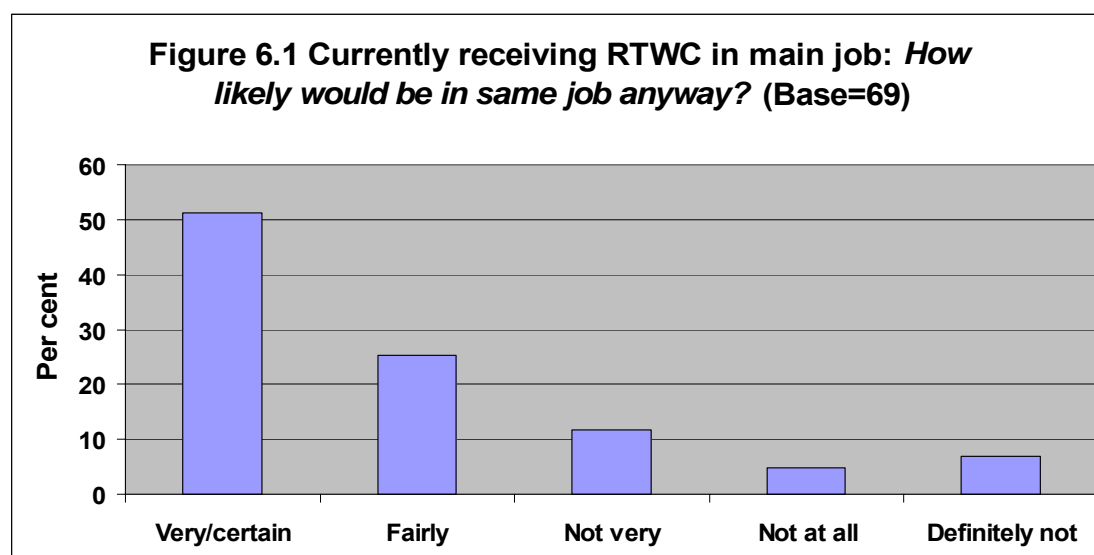
- 6.23 Those who said they were currently in work were asked a series of questions about their main job (see Table D.6 in Appendix D). The responses in relation to hours worked and earnings are presented later in this Section. At this juncture, it is useful to consider the views of those in work on aspects of the help that they received from Pathways.
- 6.24 When asked if they were currently in receipt of RTWC, 24 per cent of stocks and 30 per cent of Pathways flows replied in the affirmative (Table 6.4).

Table 6.4 Main job: In receipt of RTWC (self-reported)

	Stocks	Flows
	%	%
No	76	70
Yes	24	30
<i>Base</i>	75	174

Source: Survey of participants.

6.25 Those who said they were receiving RTWC were also asked to say, if they had not received the incentive, how likely is it that they would be in the same job anyway. The replies are illustrated in Figure 6.1. Over half said that they were 'very likely or certain' that they would have been in the same job anyway. Fewer than one in 10 (seven per cent) said they definitely would not have been in their job without RTWC.



6.26 The findings shown in Figure 6.1 would suggest that the majority of those taking-up RTWC would be in the same job anyway. The result is consistent with evidence from a qualitative study of RTWC take-up in GB, which found that "it was more common for people to find out about [RTWC] after making arrangements for work" (Corden and Nice, 2007).

6.27 It would, therefore, appear to be the case that RTWC is not primarily acting as an incentive to get people off benefit and into work. This serves to reiterate the issue posed in Section 4 above regarding the additionality of the support provided by RTWC.

- 6.28 The Corden and Nice study points to RTWC playing a role in sustaining the transition into work e.g. in the first few weeks after moving into paid work, when wages had not yet arrived. Whether this provides sufficient rationale for the Credit, or whether it needs to be re-focused to enhance additionality as an incentive to move into paid work, is an issue for the programme to consider in the way forward.
- 6.29 The survey results do, however, provide evidence that the Pathways process acts to encourage people into work. When asked if they recalled receiving help or advice before starting their main job (finding a vacancy, completing an application, etc), Pathways participants were significantly more likely to mention someone at the Jobcentre or a New Deal PA (Table 6.5). This would suggest a more intensive level of contact and engagement with clients in Pathways.
- 6.30 While the base numbers are relatively small, respondents were generally positive about the effect of the advice and assistance that they received in helping them into their job. Those who recalled receiving advice and assistance were more likely to say this had made a large difference rather than no difference (Table 6.5).

Table 6.5 Jobcentre and/or NDPA: Effect on finding new job or returning to work more quickly (*Base=In work*)

	Stocks	Flows		<i>Diff</i> <i>pps</i>
	%	Pathways %	Compara- tors %	
Whether received help or advice (% of all in work)				
Job Centre	24	22	7	<u>15.1</u>
New Deal PA	13	8	0	<u>7.6</u>
Either of the above	34	29	7	<u>21.4</u>
<i>Base</i>	75	174	144	
Effect of help or advice (% of all saying received help or advice)				
No difference	29	39	-	
Some difference	19	20	-	
Large difference	52	41	-	
<i>Base</i>	26	50	-	

- Fewer than 30 observations.

Statistically significant differences underlined.

Source: Survey of participants.

- 6.31 When asked whether anything had changed to make it possible to start a new job or return to a previous post, an improvement in their health condition and/or being better able to manage health/disability were the most widely stated reasons amongst each of the survey groups (Table 6.6). Baily *et al* (2007) report a similar finding from a survey of Pathways customers in the GB pilots.
- 6.32 The responses did not, however, vary greatly between the three survey groups. For example, Pathways participants were no more likely than the comparators to say that they returned to work because they were better able to manage their health condition or disability.

Table 6.6 Starting/returning to work: Was there anything that changed in your situation that made it possible for you to return to work?

	Stocks	Flows	
	%	Pathways %	Comparators %
Health condition improved	53	48	56
Able to manage health condition/disability better	19	10	11
Found job with flexible working (hours/days)	7	11	7
Able to work reduced hours	8	6	2
Found/given lighter physical work	2	2	2
Found supported work	0	1	1
Job recommended by/provided by friend/relative	3	3	0
Childcare no longer a problem	1	1	1
Had to find work for financial reasons	4	4	6
Advised to /decided to work for health reasons	4	0	0
Influence/pressure from Jobcentre	0	1	1
Increased confidence/motivation/made decision	5	2	1
Availability of work improved	3	0	2
Found suitable/right job	6	9	7
Moved into job from casual/temp work	0	1	1
Just found a job	7	6	4
Other changes	9	7	10
Nothing changed	10	15	11
<i>Base</i>	<i>75</i>	<i>174</i>	<i>144</i>

Source: Survey of participants.

Profile

6.33 The profile of participants' outcomes is relevant in two main respects:

- At this interim stage, does Pathways appear to be working better for some sub-groups than for others?
- The Department's section 75 statutory duty to promote equality of opportunity.

6.34 To help in addressing these issues, employment rates have been calculated for a range of different sub-groups. The results by socio-economic and demographic characteristics are presented in Table D.5 in Appendix D. Table D.9 presents employment rates by self-reported health and disability status. The main findings are discussed below. It should, however, be borne in mind that sub-group estimates are based on smaller sample sizes compared to the main findings in Table 6.2 above. This means that differences are estimated with less precision for sub-groups. For that same reason, it is not possible to adjust for differences in sub-group composition in drawing comparisons between Pathways flows and comparator flows. Thus, the reported differences should be viewed as indicative rather than as net impacts.

6.35 **Age.** Similar to the results reported for the Great Britain pilots in Bewley *et al*, the estimated employment effects from Pathways were weakest for those aged 50 and over. Within the Pathways flows, one in five of those aged 50 and over was in work or had a job lined up (Table 6.7). In contrast to the other age groupings, the employment rate among over-50s in the Pathways flows was the same as for the comparators.

Table 6.7 Employment status by age (*Base=all*)

Age:	Stocks	Flows		Diff
		Pathways	Comparators	
	%	%	%	<i>pps</i>
16-29	26	39	33	6.1
30-39	26	37	25	<u>11.5</u>
40-49	29	39	29	<u>10.0</u>
50+	22	20	20	0.4
All	26	34	27	<u>+6.8</u>
<i>Base</i>	300	600	600	

Statistically significant differences underlined.
Source: Survey of participants.

- 6.36 This does not necessarily mean that Pathways is not working for people aged 50 and above. As noted in Section 4 above, this age group was most likely to be screened in as needing higher levels of assistance from Pathways in making the transition to work. Section 7 below returns to this issue in considering outcomes by routes through Pathways.
- 6.37 The findings in relation to self-reported health status are rather more variable. For all sub-groups, those who said they had a health condition or disability that greatly limits their everyday activities²⁹ were least likely to report a transition into employment (Table 6.8). To that extent, the main message from the survey findings is therefore to signal the role that health status plays in enabling a transition to work. However, among those reporting a condition that limits their daily activities 'a great deal', the employment rate of Pathways flows was significantly in excess of the rate for the comparators.

Table 6.8 Employment status by self-reported health status: Whether in work or job lined up (*Base=all*)

Health problem - current or previous:	Stocks	Flows		<i>Diff</i> <i>pps</i>
	%	Pathways %	Compara- tors %	
None	50	58	40	<u>18.3</u>
Yes - not at all limiting	23	76	52	<u>24.5</u>
Yes - limits a little	46	51	36	14.8
Yes - limits to some extent	38	28	37	-8.9
Yes - limits a great deal	13	19	13	<u>6.4</u>
All	26	34	27	<u>+6.8</u>
<i>Base</i>	<i>300</i>	<i>600</i>	<i>600</i>	

Statistically significant differences underlined.

Source: Survey of participants.

²⁹ Whether currently or since starting IB for flows or since the relevant Pathways go-live date for stocks.

- 6.38 Turning to the remaining section 75 groups for which survey data are available, the following are the main points of note (see Table D.5 for the detailed results):
- **Gender.** Employment effects were slightly stronger for men (+7.6) than for women (+5.9), but the disparity was not significant.
 - **Marital status.** The Pathways effect was strongest for single persons (+9.4 pps) and weakest for separated/divorced/widowed (+4.8 pps). Again, these sub-group contrasts were not significant.
 - **Dependents.** Similar to the Bewley *et al*/ GB study, the Pathways effect was strongest for those with caring responsibilities for children (+11.8 pps). The effect was the same (+5 pps) for both single persons and those with caring responsibilities for a disabled or older person. Due to the smaller sample sizes in sub-groups, these contrasts are not statistically significant.
 - **Religion.** There was no significant difference in the estimated effects for Protestants and Catholics.
 - **Ethnic group.** While the survey asked about ethnicity, the sample size for the non-white sub-group was too small to permit any separate reporting.
- 6.39 Considered separately, the raw Pathways employment effect showed some variation within and across the section 75 categories listed above. This is likely to reflect some compositional differences e.g. the distribution of employability attributes such as qualifications, work experience, etc. In that regard, it should be noted that the multivariate statistical model estimated for the Pathways employment effect found significant effects on the probability of being in a job for age and self-reported health status. No significant effects were found in a multivariate context for the remaining section 75 categories.
- 6.40 Two further points can be made in relation to the profile of employment outcomes. First, the employment effect of Pathways is stronger in rural than in urban areas, particularly inner-city deprived areas in Belfast and Foyle. The qualitative evidence collected for this survey, and also the findings from the Shuttleworth (2008) study, would suggest that this reflects a higher incidence of those who are furthest from the labour market. In that situation, employment effects will take longer to mature.

6.41 Second, IB customers are diverse in relation to attributes such as qualifications, previous work experience, etc., that can affect employment outcomes. That is, some participants are further from the labour market than others and hence will need additional assistance in moving off benefit. This is already recognised in the programme, through the use of the screening process. Section 7 below considers outcomes by routes through the programme.

Earnings

6.42 Considering all survey respondents, a little over one in four (26 per cent) was in work at the time the survey was taken. Among the flows, both Pathways and comparators, the total sample base of those in work was 318, with fewer than that providing information on earnings (Table 6.9). It is therefore difficult to detect significant differences between sub-groups in annual earnings.

6.43 Notwithstanding the small sample sizes for the analysis of earnings, the available data would suggest that Pathways has not had an effect on average earnings. The comparators sample was more likely to report annual earnings in excess of £10,000, but the difference is not statistically significant (Table 6.9). This is similar to the findings from the Bewley *et al* study of the GB pilots.

Table 6.9 Annual pay and hours worked (*Base=In work*)

	Stocks	Flows		<i>Diff</i> <i>pps</i>
	%	Pathways %	Compara- tors %	
Annual pay				
Less than £10k	63	64	56	7.5
£10k-£20k	37	32	36	-4.0
£20k+	0	4	8	-3.5
<i>Base</i>	66	160	127	
Hours worked				
Under 16	19	13	15	-1.7
16-29	32	31	22	8.2
30+	49	56	62	-5.8
<i>Base</i>	75	174	144	

No statistically significant differences between Pathways flows and comparators in relation to annual pay or hours worked.

Source: Survey of participants.

- 6.44 Pathways participants also appear to have been more likely than the comparator flows to have moved into part-time (less than 30 hours) rather than full-time work (30+ hours), both among the stocks and the flows. Again, the contrast is not statistically significant. While the sample sizes are not large enough to permit a definitive conclusion, it is possible that the larger proportion of Pathways participants in part-time work may bear some relation to the RTWC. This is because, as it is only payable for annual earnings under £15,000, the RTWC may affect decisions on the number of hours worked, for a given rate of pay³⁰ (see the discussion in Adam *et al*, 2008).
- 6.45 Interestingly, amongst those who said they were in receipt of RTWC (n=69), 46 per cent said they worked 30 hours or more per week, 50 per cent worked 16-29 hours and four per cent said they worked less than 16 hours per week. That is, those receiving RTWC were more concentrated in the 16-29 band than were other Pathways participants. Conversely, as noted above, most of those receiving the RTWC said they would be in the same job anyway.

Job Search

- 6.46 Considering those not in work, the incidence of job search is useful in signalling the extent to which such persons are moving closer to the labour market and/or feel ready to make that transition. Amongst Pathways participants, a little over one in five of those not in work or with no job lined up were actively looking for work (Table 6.10). While the difference is not statistically significant, the comparator flows were more likely to be seeking work, by a margin of five percentage points.

Table 6.10 Job search – looking for work (*Base = persons not currently in work, no job lined up, not retired*)

	Stocks	Flows		<i>Diff</i> <i>pps</i>
	%	Pathways %	Compara- tors %	
Not looking	78	77	72	4.7
Looking for work	22	23	28	-4.7
<i>Base</i>	207	373	402	

Source: Survey of participants.

³⁰ At 40 hours per week, hourly pay of £7.21 will yield annual earnings of £15,000. But an hourly rate of £9.60 will produce that amount with 30 hours per week.

- 6.47 The survey findings do not therefore provide evidence of a Pathways effect on job search over and above what would be expected anyway. It is, however, interesting to note that Pathways flow job-seekers were significantly more sanguine about their prospects of finding work than was the case for the comparator flows (Table 6.11).

Table 6.11 Chances of getting a job (Base = persons looking for work)

	Stocks	Flows		<i>Diff</i> ¹ <i>pps</i>
	%	Pathways %	Compara- tors %	
Very good	3	12	3	9.0
Fairly good	39	38	38	0.3
Fairly bad	45	31	40	-9.0
Very bad	13	19	19	-0.3
<i>Base</i>	46	86	112	

1 Statistically significant difference between Pathways flows and comparators ($p=0.0818$).

Source: Survey of participants.

- 6.48 Regarding those not seeking work, their own illness/disability was much the most frequently cited reason (Table 6.12). This did not vary across the three main groups in the survey.

Table 6.12 Why not looking for work (Base = persons not looking for work)

	Stocks	Flows		<i>Diff</i> ¹ <i>pps</i>
	%	Pathways %	Compara- tors %	
Own illness/disability	88	84	87	-2.8
Child's illness/disability	2	2	3	-1.0
Other person's illness/disability	5	3	3	0.6
Other reason	7	10	5	4.6
<i>Base</i>	161	287	290	

1 No statistically significant difference between Pathways flows and comparators.

Source: Survey of participants.

Receipt of Incapacity Benefit

6.49 The survey findings in relation to self-reported receipt of Incapacity Benefit are summarised in Table 6.13. The results show no evidence of any effect from Pathways on this outcome indicator. Pathways flow participants were slightly more likely than the comparators to say that they received IB or National Insurance Credits and equally likely to say they received IS with a disability premium. These differences were not significant³¹.

Table 6.13 Receipt of Incapacity Benefit: Current status (*Base=all*)

	Stocks	Flows		<i>Diff¹</i> <i>pps</i>
	%	Pathways %	Compara- tors %	
IB or NI Credits	53	48	45	2.4
IS with Disability Premium	14	11	11	0.1
Neither	32	40	42	-2.4
Not sure	1	2	2	-0.1
<i>Base</i>	<i>300</i>	<i>600</i>	<i>600</i>	

1 No statistically significant difference between Pathways flows and comparators

Source: Survey of participants.

6.50 Within the Pathways stocks, there was a contrast between the voluntary and mandatory participants. Reflecting the earlier finding that the former were more likely to be in work, 42 per cent said they were not currently receiving IB or IS with a disability premium. By contrast, 80 per cent of the mandatory stocks said they were currently in receipt of one or other of those benefits. The difference is statistically significant.

6.51 With regard to age and self-reported health status, the profile by receipt of benefit is fully consistent with the findings for employment outcomes. Thus, persons aged 50 and over were least likely to move into work and, concomitantly, were most likely to remain on benefit (Table 6.14).

³¹ A logistic regression model was also estimated for the flows, to adjust for variations in socio-demographic and other characteristics. The model found no significant effect from Pathways.

6.52 Similarly, persons reporting a health condition or disability that limits their activity a great deal, who were least likely to move into work, are the most likely to have said they are in receipt of IB or IS with a disability premium.

Table 6.14 Receipt of Incapacity Benefit by age and health - Self-reported (*Base=all*)

	Stocks	Flows		<i>Diff</i> <i>pps</i>
		Pathways	Comparators	
	%	%	%	
Age				
16-29	60	51	45	6.7
30-39	63	57	59	-1.7
40-49	71	59	59	-0.4
50+	75	73	69	3.8
Health problem - current or previous				
None	37	19	29	-10.5
Yes - not at all limiting	77	27	20	6.4
Yes - limits a little	50	60	40	<u>20.3</u>
Yes - limits to some extent	50	62	52	9.4
Yes - limits a great deal	85	79	79	-0.1
All	68	60	58	2.4
<i>Base</i>	<i>300</i>	<i>600</i>	<i>600</i>	

Statistically significant differences underlined.

Source: Survey of participants.

6.53 The survey findings for receipt of benefit by age and health status did not, however, vary between the Pathways and comparator flows. Nor were any significant differences found for the other section 75 categories for which data are available i.e. marital status, dependents and religion.

Health

- 6.54 Pathways to Work is a labour market programme, not a health intervention. Nonetheless, as noted by Baily *et al*, “there was a presumption in the design and justification for Pathways to Work that it would bring about health improvements as it delivered work outcomes”. In that context, it is useful to examine the survey responses for self-reported health status.
- 6.55 The main findings are summarised in Table 6.15; the more detailed results are in Table D.8 in Appendix D. As can be seen, the survey data show no sign of any Pathways effect, either on current health status or in measures for the trend in self-reported health status.

Table 6.15 Trend in health status (*Base=all*)

	Stocks	Flows		<i>Diff</i> <i>pps</i>
	%	Pathways %	Compara- tors %	
Current health				
Good/very good	19	27	27	-0.3
Fair	30	30	31	-1.4
Bad/very bad	50	43	41	1.7
Health when started IB (flows) / at go live date (stocks)				
Good/very good	12	18	19	-0.8
Fair	25	21	23	-2.9
Bad/very bad	63	60	57	3.4
Change (<i>pps</i>)				
<i>Good/very good</i>	8	9	8	0.6
<i>Fair</i>	6	9	8	1.5
<i>Bad/very bad</i>	-13	-17	-16	-1.7
Self-reported trend				
Getting better	20	24	23	1.7
Worse	27	24	26	-2.3
Same	27	25	25	-0.1
Changeable	26	26	26	0.2
<i>Base</i>	300	600	600	

Source: Survey of participants.

Key Points Summary

- 6.56 This Section has considered the effects of participation on Pathways on a range of outcome indicators. The main findings are as follows.
- 6.57 **Employment.** The survey results suggest that Pathways increases the probability of being in work or having a job lined up by about seven percentage points (see Table 6.16). The estimated employment effect for Northern Ireland is almost identical to the finding for the Great Britain pilot reported in Bewley *et al* (2007).
- 6.58 Pathways employment effects take time to materialise. At the time of the survey (March 2008), positive employment effects for the Pathways flow participants were largely concentrated amongst those whose IB claim had started between October 2005 and October 2006.

Table 6.16 Labour market position

	Stocks	Flows	
	%	Pathways %	Comparators %
In work	25	29	24
Job lined up	1	5	3
Looking for paid work	12	9	15
On a course	2	0	1
Looking after home/family	14	12	11
Sick/disabled	40	38	40
Retired	3	2	3
Something else	4	5	3
All	100	100	100

Source: Survey of participants.

- 6.59 There was a large, and statistically significant, difference between the employment outcomes for the mandatory and voluntary stock participants. This may reflect a degree of self-selection amongst the latter sub-group e.g. a higher degree of motivation to find work among the voluntary participants.
- 6.60 The majority of those receiving RTWC said they would have been in the same job anyway. Considered as an incentive for getting people into work, the survey findings point to a low level of additionality in the RTWC. There is, therefore, a need to consider the role and position of the RTWC in the Pathways initiative.

- 6.61 The survey results do, however, provide evidence of a Pathways effect in encouraging people into work. Pathways participants were significantly more likely than their comparators to mention having received help or advice before starting their main job (finding a vacancy, completing an application, etc). This would suggest a more intensive level of contact and engagement with clients in Pathways.
- 6.62 Employment effects from Pathways were weakest for those aged 50 and over; flow participants were no more likely than the comparators to be in work. Employment rates were uniformly low amongst those who said they have a health condition that greatly limits their everyday activities. However, the Pathways effect for this group (+6 pps) was in line with the overall average for all flow participants.
- 6.63 **Earnings.** Similar to GB, there was no evidence of a Pathways effect on average earnings. The additional income effect from Pathways therefore derives from the employment effect i.e. increasing the proportion of claimants with earned income.
- 6.64 **Job Search.** Pathways flow participants who are not in work and have no job lined up were less likely to be looking for work than the comparator flows (see Table 6.16). The flow participants who said they were looking for a job were, however, more optimistic about finding work than the comparator flows. Those not looking for work overwhelmingly cited health-related reasons as the main barrier.
- 6.65 **Receipt of Benefit.** There was no statistically significant effect of Pathways on receipt of IB or Income Support with a disability premium.
- 6.66 The lack of a Pathways effect on receipt of benefit among the flow participants can be viewed in the context of the findings for employment and job search. While Pathways participants were more likely to be in work, those not in employment were less likely than the comparator flows to be searching for a job. This would suggest that the main effect of Pathways to date has been to encourage a faster movement into work among those who are ready to make the transition. While equally likely to be in receipt of benefit, the comparators were found to be less likely to move into work as quickly as Pathways participants.
- 6.67 Reflecting the variations in employment outcomes, voluntary stock participants were significantly less likely than their mandatory counterparts to be in receipt of a benefit at the time of the survey.
- 6.68 **Health.** There was no statistically significant effect on indicators of current health status and trends from participation in Pathways.

7 Patterns of Participation and Choices

Introduction

- 7.1 The previous Section in this report presented a comparative assessment of the overall effect of Pathways on participants' outcomes. The purpose of this Section is to examine variations in the main outcomes by route through the programme i.e. to what extent have outcomes varied according to patterns of participation in, and take-up of, the component parts of the programme?
- 7.2 The following outcome indicators are discussed:
- Employment i.e. whether currently in work or has a job lined up.
 - Job search i.e. whether currently looking for work.
 - Receipt of benefit i.e. whether currently in receipt of IB or IS with a disability premium.
- 7.3 Following the analysis in Section 4 above, variations in outcomes by component parts of Pathways are analysed under two main headings:
- Patterns of participation i.e. attendance at Pathways Wfls, including follow-up Wfls.
 - Take-up of the suite of programmes and choices available to participants, including CMP, WPP and RTWC.
- 7.4 As in Section 4 above, the component parts are analysed separately for Pathways flows and stocks.

Patterns of Participation

Flows

- 7.5 The main outcomes according to the patterns of participation discussed in Section 4 above are shown in Table 7.1. The first point to note is that those who were screened out have, on average, achieved the more favourable outcomes to date. For example, the employment rate among those who were screened out with one attendance only was 44 per cent, almost three times greater than the employment rate for those who were screened in but who also had only one attendance through September 2007 (15 per cent). As noted in Section 4 above, the screening tool would appear to identify differences between clients in their closeness to the labour market. This is likely to be one important reason for the disparity in outcomes between these two groups rather than any effect from the pattern of participation in the programme.

Table 7.1 Outcomes by patterns of participation: Flows

	All	Work/Job lined up	Looking for work	Claiming IB ¹
	%	%	%	%
Wfl arranged, no attendance	2	-	-	-
Screened out, 1 attendance only	27	44	11	51
Screened out, 1+ follow-up	7	65	7	38
Screened in, 1 attendance only	20	15	8	75
Screened in, 1+ follow-up	39	27	11	65
Other, 1 attendance only	4	-	-	-
Other, 1+ follow-up	2	-	-	-
All	100	34	9	60

- Fewer than 30 observations.

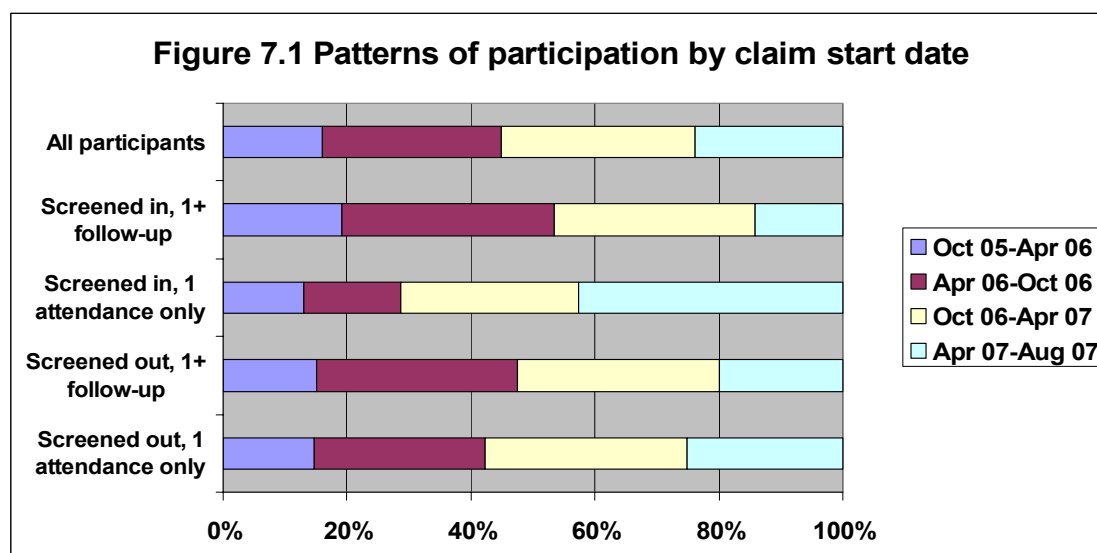
1 Self-reported

Source: Survey of participants.

7.6 Measured in terms of percentage points difference, the employment rate disparity was even wider when comparing those who were screened out *and* had 1+ follow-up Wfl with those who were screened in and had 1+ follow-up Wfl: 38 pps compared to 29 pps for the two sub-groups with one attendance only, a gap of nine percentage points. While not statistically significant, it is plausible that, at least partly, the gap reflects differences between the two sets of participants in closeness to the labour market. Such a line of reasoning is strengthened by the fact that, as noted in Section 4 above, those who were screened out and had 1+ follow-up Wfl exhibited the highest take-up rate for the RTWC, the main 'near-market' option in Pathways (see Table 4.9).

7.7 The second main point to note is that, regardless of the screening result, outcomes tended to be more favourable for those who attended 1+ follow-up Wfl than for those who had attended 1 Wfl only by end-September 2007. This is evident from the higher employment rate for those who were screened in and had 1+ follow-up compared to those who attended 1 Wfl only. A similar difference was found for those who were screened out.

- 7.8 It does not, however, necessarily follow that participation in follow-up Wfls had the effect of boosting employment rates. At least partly, the differences are a timing effect as those who were screened in and had 1 attendance only also had the highest share of the more recent claims; in this sub-group, 42 per cent of claims were made post-April 2007, compared to 22 per cent of all claims in the sample of flows (Figure 7.1). These later clients will have had less opportunity to have participated in 1+ follow-up Wfls.



- 7.9 As sample sizes are obviously lower for sub-groups, it is not possible statistically to distinguish between the claim timing effect and the follow-up Wfl effect in the disparities by employment outcome shown in Table 7.1. Certainly, however, among those who were screened in, the magnitude of the difference in employment rates (12 pps) between those who had 1+ follow-up Wfls and those who had 1 attendance would suggest that the follow-up Wfl process is pointed in the right direction in terms of addressing the needs of those who are furthest from the labour market.

Stocks

- 7.10 The pattern of outcomes is somewhat different among the stocks. As can be seen from Table 7.2, and notwithstanding the relatively small sample sizes for the various sub-groups, the main differences in outcomes are between the mandatory stocks and the remaining stock participants. This is not unexpected, in light of the findings reported in Section 6 above.
- 7.11 Interestingly, among the non-mandatory stocks, there are no striking differences on any of the outcome indicators in respect of patterns of participation. This does, perhaps, provide further evidence on the importance of qualitative factors such as motivation to move off benefit and into work.

Table 7.2 Outcomes by patterns of participation: Stocks

	All	Work / Job lined up	Looking for work	Receipt of IB	Base
	%	%	%	%	No.
Mandatory					
No attendances	12	-	-	-	16
1 attendance only	30	21	5	78	42
1+ follow-up	58	12	15	82	81
All	100	17	11	80	140
Other					
No attendances	23	32	18	59	37
1 attendance only	54	35	24	57	86
1+ follow-up	23	33	12	58	37
All	100	34	20	58	160
All					
No attendances	18	31	12	64	53
1 attendance only	43	31	13	64	129
1+ follow-up	39	18	11	74	118
All	100	26	12	68	300
- Fewer than 30 observations. 1 Self-reported Source: Survey of participants.					

Choices

Flows

7.12 In general, those who took up one or other of the choices available to Pathways participants tended to report more favourable outcomes than those who did not. Of those taking up one or other of the CMP, WPP or RTWC, over half (51 per cent) said they were in work or had a job lined up, compared to fewer than one in four (24 per cent) of the flow clients who did not take up any choice (Table 7.3). It is also, apparent, however, that there were large disparities in outcomes *within* the subset of participants who took up one or more choices.

Table 7.3 Outcomes by self-reported take-up of choices: Flows

	All	Work/Job lined up	Looking for work	Claiming IB ¹
	%	%	%	%
CMP	17	28	10	73
WPP	11	47	12	57
RTWC	15	80	2	27
Subsidised employment	4	-	-	-
Permitted Work / WorkStep	5	41	25	42
New Deal broker	4	-	-	-
Jobcentre services ¹	31	39	22	48
Other help ²	9	40	17	57
Any of the above	57	41	14	53
None of the above	43	24	3	70
Any of CMP, WPP, RTWC	35	51	7	54
None of those three	65	24	11	64
All	100	34	9	60

1 Use of job search resources i.e. internet, directories, phones.

2 That is, help with travelling to interviews, job grant, etc.

- Fewer than 30 observations.

Source: Survey of participants.

7.13 In particular, those who reported having taken up the CMP were much less likely to be in employment (28 per cent) as compared with those taking up the WPP (47 per cent) and, especially, the RTWC (80 per cent). It is not, however, at all unexpected that such differences would be observed, as the RTWC is an incentive paid to those entering employment.

7.14 Regarding the CMP, this is specifically focused on the Pathways client group that is furthest from the labour market due to their health condition. Indeed, the employment rate among CMP participants in Northern Ireland compares favourably with Great Britain, where Baily *et al* (2007) have reported an 18 per cent employment rate among CMP participants in the first seven pilot areas.

7.15 In order to measure clients' perceptions of additionality and impact of the components, those taking up the various choices were asked to say what effect this had on being in work or looking for work or preparing to look for work³². The composite responses for the choices are shown in Table 7.4. The *net balance* between those saying that being in work, looking or preparing to look for work was entirely or partly a result of their involvement with the relevant choice compared to those saying 'not at all' can be used as an indicator of the net efficacy of each component, from the client's perspective³³.

Table 7.4 Pathways flows: Respondents' assessments of effect on being in a job/job lined up/looking for work/preparing to look (combined responses)

	Entirely a result of %	Partly %	Not very much %	Not at all %
CMP	26	35	6	32
WPP	28	16	16	39
RTWC	15	24	15	46
Jobcentre services	20	28	17	35
Other help	31	19	4	45

Source: Survey of participants.

³² Within each of the choices, the effects question was posed separately to those who said they were in a job/had a job lined up, were looking for work or were not looking for work at this time. Due to the small sample sizes within each choice for these different outcome indicators, the responses have been combined for the analysis in this Section.

³³ The rationale for computing the net balance in the manner described above is as follows. The responses 'entirely' or 'partly' receive a weight of +1 on the basis that they signal a positive additional impact from the programme. The response 'not at all' is accorded a weight of -1 on the ground that such a response indicates no additional impact from Pathways. The response 'not very much' is given a zero weight on the basis that this response suggests neither complete lack of additionality nor a substantial impact on the outcome for the client. Of course, alternative weighting schemes are possible. However, the ranking of the intervention types does not vary greatly for different choices of weighting schemes. In particular, for a range of alternative weighting schemes (e.g. the net balance between 'entirely' and 'not at all', or between 'entirely' plus 'partly' and 'not very much' plus 'not at all'), CMP ranks first in terms of additional impact whereas RTWC ranks last. That is, the main conclusion drawn (see para 7.17) is not affected by the choice of weighting scheme.

7.16 The net balances are as follows:

- CMP: +29 percentage points.
- WPP: +5 percentage points.
- RTWC: -6 percentage points.
- Jobcentre services: +13 percentage points.
- Other help: +6 percentage points.

7.17 The main point of note from the net balances is that those who took up the CMP were the most likely to say this was entirely or partly a result of their involvement (Table 7.4). This would suggest that there is a higher level of additionality associated with the CMP by comparison with the WPP, RTWC and other help.

7.18 Almost one in three flow participants said they had availed of Jobcentre services. A similar proportion of the comparator flows (29 per cent) also said they had used Jobcentre services. It is therefore possible to provide a comparative perspective on Pathways from the responses to the efficacy question. The results are shown in Table 7.5. As can be seen, the main reported effect of the use of Jobcentre services is in preparing to look for work. In that regard, the perceived efficacy of Jobcentre services was significantly higher for Pathways participants than for the comparators. This is perhaps indicative of the more intensive interaction with clients in the Pathways process.

7.19 For the reasons discussed in Section 6 above, it is also of interest to consider the take-up of choices by sub-group. As with the analysis for employment outcomes, the most significant differences in take-up are by age and health status (Table 7.6). Those aged 50+ were significantly less likely to take up the WPP, RTWC or Jobcentre services. Though, there was no significant age effect in take-up of the CMP.

7.20 Perhaps surprisingly, there was no significant difference by self-reported health status in take-up of the CMP. Those saying their health status limits their daily activities 'a great deal' were, however, least likely to take up the WPP, the RTWC or Jobcentre services. This is not, perhaps, unexpected, as this sub-group is also most likely to be furthest from work.

7.21 Regarding the remaining section 75 categories, there were no major disparities in take-up of Pathways choices (see Table D.10 in Appendix D for the findings by gender, marital status, caring responsibilities and religion).

Table 7.5 Job Centre Services: Respondents' assessments of effect on being in a job/job lined up/looking for work/preparing to look

	Pathways %	Comparators %	Diff <i>pps</i>	Sign
In a job/job lined up				<i>n.s.</i>
Entirely	8	16	-8	
Partly	13	13	0	
Not very much	16	4	12	
Not at all	63	67	-4	
Looking for a job				<i>n.s.</i>
Entirely	14	9	5	
Partly	44	41	4	
Not very much	15	14	1	
Not at all	27	36	-9	
Preparing to get a job				**
Entirely	44	28	16	
Partly	30	23	7	
Not very much	20	20	1	
Not at all	5	29	-23	
Source: Survey of participants.				

Table 7.6 Take-up of choices: Pathways flows – per cent of sub-group

	CMP	WPP	RTWC	Any of those 3	JC services
	%	%	%	%	%
Age	<i>n.s.</i>	***	***	*	***
16-29	13	17	16	38	43
30-39	19	13	13	37	32
40-49	21	7	23	40	29
50+	15	7	9	26	21
Health problem - current or previous	<i>n.s.</i>	***	*	<i>n.s.</i>	***
None	13	12	23	38	45
Yes - not at all limiting	22	27	12	49	50
Yes - limits a little	15	19	10	37	55
Yes - limits to some extent	15	10	18	34	33
Yes - limits a great deal	19	7	13	32	18
All	17	11	15	35	31

*** Significant at 99% ** 95% * 90%.

Source: Survey of participants.

Stocks

7.22 Regarding stock participants, the main patterns in outcomes by self-reported take-up of choices are broadly similar to the picture in respect of flows. Again, those who took up one or more choices were more likely to be in work (Table 7.7). Similarly, the employment rate varied considerably according to the choice taken, ranging from eight per cent for the CMP to 81 per cent for the RTWC.

7.23 The main point of contrast is that the eight per cent CMP employment rate among the stock participants is lower than what was reported by the flows (28 per cent). Partly, this may reflect a greater degree of variability in closeness to the labour market amongst the stock participants. For example, the take-up of CMP was significantly higher amongst the mandatory stocks (21 per cent) compared to the other stock participants (9 per cent).

Table 7.7 Outcomes by self-reported take-up of choices: Stocks

	All	Work/Job lined up	Looking for work	Claiming IB ¹
	%	%	%	%
CMP	14	8	13	92
WPP	11	44	17	66
RTWC	10	81	0	19
Subsidised employment	7	-	-	-
Permitted Work / WorkStep	6	-	-	-
New Deal broker	5	-	-	-
Jobcentre services	29	26	36	59
Other help	9	-	-	-
Any of the above	54	33	20	60
None of the above	46	18	2	77
Any of CMP, WPP, RTWC	31	39	12	63
None of those three	69	20	12	70
All	100	26	12	68

- Fewer than 30 observations.

Source: Survey of participants.

7.24 It is also possible to report on stock participants' perceived efficacy of different components of Pathways. The results are shown in Table 7.8, with the net balances as follows:

- CMP: +37 percentage points.
- WPP: +31 percentage points.
- RTWC: -8 percentage points.
- Jobcentre services: +30 percentage points.

7.25 As with the flows, the highest net balance is reported for the CMP with the RTWC again receiving a negative net balance. This reinforces the conclusions drawn above regarding levels of additionality in the main components of Pathways. Though, the WPP is accorded a higher net balance by the stock participants, by comparison with the flow participants.

Table 7.8 Pathways stocks: Respondents' assessments of effect on being in a job/job lined up/looking for work/preparing to look (combined responses)

	Entirely a result of %	Partly %	Not very much %	Not at all %
CMP	32	31	12	26
WPP	25	39	3	33
RTWC	13	30	6	51
Jobcentre services	18	41	13	29

- Zero observations in cell or sample size less than 30.

Source: Survey of participants.

Combinations of Choices

7.26 The final topic examined in this Section is the pattern of outcomes arising from combinations of choices. The survey results, which are self-reported, are shown in Table 7.9. In order to maximise base numbers for each combination, the results for stocks and flows have been pooled, from 209 flow and 45 stock respondents, about the same proportional split in participation as reported for the administrative data in Section 4 above.

7.27 The first point to note is that the vast majority of respondents (82 per cent) who said they took up one or more of the CMP, WPP and RTWC participated in one only of these choices³⁴. Amongst those who said they took up the CMP, slightly over one in three (35 per cent) said they also took up the WPP and/or RTWC³⁵. At this interim stage in Pathways, therefore, the element of progression from CMP to 'nearer-market' choices is not yet widely spread.

³⁴ The self-reported findings in Table 7.9 may be over-stating the incidence of multiple take-up of choices. The CMS data through September 2007 indicate that only five per cent of those taking up one of the CMP, WPP and RTWC had accessed more

**Table 7.9 Employment outcomes by take-up of choices (self-reported):
Flows and stocks combined**

	Take-up (self- reported) %	In work or job lined up: %	Base No
CMP only	30	13	75
<i>CMP & WPP</i>	<i>7</i>	<i>33</i>	<i>18</i>
<i>CMP & RTWC</i>	<i>6</i>	<i>64</i>	<i>15</i>
WPP only	22	43	55
<i>WPP & RTWC</i>	<i>3</i>	<i>71</i>	<i>8</i>
RTWC only	30	83	76
<i>All three</i>	<i>3</i>	<i>42</i>	<i>6</i>
All with 1+ choices	100	48	254

Italicised rows - Fewer than 30 base observations.
Source: Survey of participants.

7.28 The second point to note is that, while the base numbers are low, those who progressed from CMP to RTWC were more likely to be in a job than those who, by March 2008, had taken up the CMP only.

Key Points Summary

7.29 This Section has examined variations in the main outcomes by route through the programme, to assess the extent to which outcomes for participants have varied according to patterns of participation in, and take-up of, the component parts of the programme.

7.30 Regarding the patterns of participation by flow clients, the following are the main findings:

- Those who were screened out have, on average, achieved the more favourable outcomes to date. This is more likely to reflect

than one of these choices. The fact that the survey was undertaken in March 2008 will explain some of the difference, but the caveat should be borne in mind.

³⁵ The administrative data through to September 2007 shows nine per cent of those taking up the CMP also taking up one or other of the WPP and the RTWC.

closeness to the labour market than any effect from the pattern of participation in the programme.

- Regardless of the screening result, outcomes tended to be more favourable for those who attended 1+ follow-up Wfl than for those who had attended 1 Wfl only by end-September 2007. At least partly, the differences are a timing effect as those who were screened in and had 1 attendance only also had the highest share of the more recent claims, made post-April 2007. These later clients will have had less opportunity to have participated in 1+ follow-up Wfls.
- While it is not possible statistically to distinguish between the claim timing effect and the follow-up Wfl effect, the magnitude of the difference in employment rates (12 pps) between those who had 1+ follow-up Wfls and those who had 1 attendance only would suggest that the follow-up Wfl process is pointed in the right direction in terms of addressing the needs of those who are furthest from the labour market.
- Regarding the stocks, the main differences in outcomes were found between the mandatory stocks and the remaining stock participants. This is consistent with the findings from Section 6 above.

7.31 Overall, positive outcomes have, to date, been slowest to materialise for clients whose participation in the full Wfl process has been mandatory i.e. the screened-in flows and the mandatory stocks. But these clients are in that position precisely because of their 'distance' from the labour market.

7.32 Regarding take-up of choices, the main findings are as follows:

- Both for the stocks and the flows, those who took up one or other of the choices available to Pathways participants tended to report more favourable outcomes than those who did not. However, there were large disparities in outcomes within the sub-set of participants who took up one or more choices.
- In particular, those who reported having taken up the CMP were less likely to be in employment as compared with those taking up the WPP and, especially, the RTWC (80 per cent). These differences are not unexpected since the RTWC is an incentive paid to those entering employment and the CMP is specifically focused on the Pathways client group that is furthest from the labour market due to their health condition.
- Based on respondents' perceived efficacy of different choices within Pathways, those who took up the CMP were the most

likely to ascribe positive outcomes entirely or partly to the programme. This would suggest that there is a higher level of additionality associated with the CMP by comparison with the WPP, RTWC and other help.

- Among the flow participants, the perceived efficacy of Jobcentre services was significantly higher for Pathways participants than for the comparators. This is perhaps indicative of the more intensive interaction with clients in the Pathways process.
- The most significant differences in take-up of choices were by age and health status. Regarding the remaining section 75 categories, there were no major disparities in take-up of Pathways choices.
- The vast majority of respondents (82 per cent) who said they took up one or more of the CMP, WPP and RTWC participated in one only of these choices. Those who progressed from CMP to RTWC were more likely to be in a job than those who, by March 2008, had taken up the CMP only.

8 Implementation and Delivery

Introduction

8.1 This Chapter presents the findings from our consultations with DEL and SSA staff involved in the implementation of the Pathways Pilots and with a number of external consultees including providers and disability lobby and support groups.

8.2 Those consulted internally were as follows:

- Pathways Personal Advisors (PPAs) - Focus Groups in four locations with approximately 30 attendees (Newry, Lisnagelvin, Ballymoney, Newtownabbey);
- Pathways Team Leaders - Focus Groups with 8 attendees (Lurgan, Magherafelt);
- Pathways office managers and regional manager;
- DAS Staff including DAOs and DEAs;
- Training branch staff;
- SSA staff involved in the implementation of Pathways (10 attendees)
- Brian McVeigh, Programme Development Branch
- Patricia McAuley, Director responsible for Pathways.

8.3 In addition, a workshop was held with voluntary sector organisations to obtain the perspectives of external consultees.

8.4 The Section commences with the findings from the internal consultations, under the following main headings:

- Need & Rationale
- Pilot Inception
- PPA Role
- Choices
- Relationships
- Clients

- 8.5 The Section then presents the issues arising from the workshop with external consultees before concluding with the key points summary.

Need & Rationale

- 8.6 There was a clear understanding amongst our consultees that, as the name suggests the role of “Pathways to Work” (Pathways) is to help people on incapacity benefits back into employment. In particular, it was intended that it should do this by focusing on their capabilities rather than the incapacity that had led them onto the benefit in the first place.
- 8.7 While the PPAs were all aware of this rationale and stated that it was made clear during their training that their role was to focus on getting people back into work, they felt that it did not reflect the reality of the situation they faced in relation to many of the clients in the target group.
- 8.8 On the one hand it was felt by the PPAs that there was a significant proportion of what they termed “benefit hoppers” who were not interested in finding work and had moved onto Incapacity Benefit (IB) to avoid the New Deal process and its efforts to get them back into the workforce. Given the voluntary nature of the “Choices”³⁶ many PPAs felt there was little they could do with this group.
- 8.9 On the other hand the severity of the health problems that some of the clients exhibited meant that it was difficult to envisage them returning to work in the short term. However, these were often the clients who were most keen for help and support and in this context the PPAs felt obliged to try and help them even though in their view it would be a long process before they could return to employment.
- 8.10 With regard to these harder to help groups the PPAs saw their role as one of helping people to remove individual barriers moving them along a continuum where a successful outcome isn’t exclusively a move into employment or at least not in the immediate future.
- 8.11 The nature and composition of the target group is a key issue for the programme rationale and the consultations highlighted four broad groups:
- Those who wish to remain on benefit and are not interested in finding work;

³⁶ The range of interventions available to PPAs to assist IB claimants in returning to work.

- Those who are on IB for a short period due to temporary illness or injury and are likely to return to work, probably with the same employer, without any intervention.
- Those who are on IB due to a “severe” incapacity which means they are unlikely to be able to return to work on the basis of the support offered by Pathways; and
- Those on IB who have a “mild to moderate”³⁷ incapacity which may limit them in relation to some forms of work but not all and who wish to avail of the opportunities available under Pathways.

8.12 A key question for the pilots is therefore whether or not they were well targeted at those it can help most i.e. with the highest additionality.

Pilot Inception

8.13 We asked consultees specifically about the introduction of the pilots to their offices and the extent to which they felt that they were prepared and able to deliver the Pathways programme from day one. All of the PPAs and JBO staff felt that it was a struggle in the early days largely due to their unfamiliarity with the systems and the administrative processes required by Pathways.

8.14 As we will see in the next section they felt that the process element of their work was largely absent from their training. They also felt that this was exacerbated by a set of guidelines that were voluminous but opaque.

8.15 These problems were particularly acute for the first three offices and to some extent are to be expected given that it was a pilot intervention. The later offices found the “buddying” scheme with PPAs from offices that had already “gone live” very helpful. Many of them said they didn’t know how they would have coped without their help and advice. The DEAs were also singled out for praise in this regard and were seen as an important resource for the new pilot offices in the initial phase and continue to be viewed as a key source of advice by all PPAs.

³⁷ This terminology is used to differentiate between those clients who Pathways is designed to help and those whose condition is too severe for this type of intervention to assist them. It is intended that the “severe” cases should be screened out at the PCA stage within the SSA based on the nature and severity of their medical condition.

- 8.16 It was also felt by many of our consultees on the operational side that there was a failure to capture the learning from the earlier pilots and transfer this to the later starts. This meant that the same issues came up in each new roll-out of offices. There were two main causes given for this.
- 8.17 Firstly the lack of focus in the training on process issues which meant that there was no opportunity to pass on the lessons learned by the earlier pilots. Staff also felt that the trainers could have been more proactive in talking to them and finding out about the problems they were facing in their day-to-day work and building this into the training for the next phase. Secondly, it was felt that the guidelines were not systematically updated to reflect the issues faced by the earlier pilots and the solutions that had been identified.

Decision Making

- 8.18 Another issue which arose from the start of the pilots and still continues to be an issue is the number of sections within DEL and the SSA who have an input into Pathways. This has led to conflicting guidance and inconsistency in the guidance given to different offices. The advice given can differ simply depending on who the individual PPA chooses to ask.
- 8.19 According to our consultees this continues to be a problem and it seems essential that a system is put in place to end this confusion. In our view the first step is to establish one point of contact in DEL for all queries, regardless of the issue involved i.e. whether it is benefit, process or programme related. That contact would then be responsible for passing the query onto the appropriate person or persons for a decision. The decision when made should be communicated to all offices not just the originating office and should also be captured in the guidance so that if it arises in the future people can be referred to the guidelines.
- 8.20 In some cases a decision may not be straightforward because of the interplay of benefit rules and Pathways policy objectives. A number of our consultees commented on the difference between the SSA and DEL in this respect. The SSA administers a range of benefits for which the regulations, in relation to eligibility and exemptions, are set out in legislation allowing them very little flexibility in interpretation. This is intentional and right that the rules are set down to ensure that they are applied rigorously, consistently and fairly to all. In the case of DEL there is more flexibility with the focus on achieving the main policy objectives of Pathways namely, helping people off benefit and back into work. These differences naturally lead to very different cultures and in the context of a joint initiative like Pathways to clashes.

- 8.21 The key however is to ensure that when such tensions occur that a decision is taken jointly by the SSA and DEL, at the appropriate level, and then communicated to all of the offices.
- 8.22 The streamlining of the decision making processes and the communication of the outcomes are two key issues that have arisen from our consultations. The current lack of a systematic approach is leading to inconsistency and frustration amongst PPAs.

PPA Training

- 8.23 It was felt by the vast majority of our operational consultees that there was too much focus in their training on the softer skills required for the job. The corollary of that was that they felt that there was insufficient training on the administration and IT processes associated with Pathways. One of our focus groups estimated that overall just half a day of their training was spent on these aspects and this was viewed by them as insufficient.
- 8.24 For many of our consultees the IT systems and CMS remain a problem and they have had to learn them as they went along. As a result of the lack of training in this area the PPAs felt that there was no uniformity in what and how they recorded onto the system. Many of the PPAs felt it would be beneficial if in future training they were:
- Given practical examples to work through with advice and guidance at hand; and
 - Provided with a clearer understanding of the outputs required from CMS and why they were needed.
- 8.25 There was also a sense that the training was focused on the minority (based on their experiences to date) of clients who wanted their assistance and did not deal sufficiently with the majority who do not want their help and do not want to return to work. However, as we discuss later there was considerable variation across offices in terms of their views on the proportion of clients who wanted their help and those that didn't. More specifically, they also identified a need for more training in "decision making"³⁸ to help them in dealing with the more reluctant clients.
- 8.26 A number of other more specific training needs were also raised in relation to the following:

³⁸ For those PPAs with an SSA background this term has a particular meaning related to the decision making processes used by the SSA in deciding on benefit eligibility or sanctions.

- Return to Work Credit - some of the PPAs stated that they only received 10 minutes training in relation to the administration of RTWC and felt that they required more time on this Choice particularly given the accountability issues involved.
 - Better Off calculations – a number of PPAs felt that this was a complex area and wanted to be sure that they were giving the client the right information on such an important issue.
- 8.27 It is important to state that most of the issues raised in this section relate to omissions in the training and that in general the PPAs felt that the training they did receive in relation to the soft skills was well delivered and has been useful to many in dealing with their clients. There was some concern that the quality of the training had been diluted somewhat over time but it was difficult to pin down why this perception existed.
- 8.28 The other area which was raised consistently on the operational side was the need for ongoing training for PPAs to refresh their skills. It was also felt that some of the training would be more beneficial to them now that they have experience with the clients than it was at the outset.
- 8.29 Another issue related to training was the lack of cover within the Jobs and Benefits Office (JBO) for PPAs. It was commented that if a PPA is ill or off work on holidays there is no one else in the office that can step in and assist with their work. This means that the remaining PPAs simply have to divide up that work between them. It was therefore felt that it would be helpful if a number of other JBO staff such as New Deal PAs received some Pathways training to allow more flexibility in workloads within the offices.

PPA Role

- 8.30 The PPA role is at the centre of the Pathways process. It is their job to meet and assess the client and try to identify what they need to help them to back to work. They must then match those needs to the Choices available within pathways. Then once the individual is participating on their Choice it is up to the PPA to support them and facilitate their move into employment. They must also deal with those clients who do not wish to engage with Pathways and particularly those who fail to turn-up, often repeatedly, for their Work Focused Interviews (Wfi).

Wfls

- 8.31 The pre-Wfl telephone call was seen by most of PPAs as a very useful way of breaking the ice and allaying the fears of those who are unclear why they have received the letter and what Pathways entails. A few PPAs felt that it was a waste of time, particularly when clients were hard to contact, and that they would be better just bringing the clients in, however they were in the minority.
- 8.32 Although it is worth noting that the split in these views had something of an urban/rural dimension, a pattern which emerged frequently in our consultations. More specifically it was the urban areas where PPAs were more likely to see pre-Wfl calls as a waste of time and this reflected their general perception that the vast majority of clients in urban areas did not want help in finding work. The view in rural areas was more positive and consequently the pre-Wfl telephone call was seen as a way of dealing with the genuine concerns that clients might have. The extent of the difference in these perceptions is also worth noting with some PPAs in urban areas believing that as many as nine in 10 of their clients did not want help compared to estimates of just 10-20 per cent in some rural areas.
- 8.33 Leaving aside the geographical issue the difference between working through the Wfl process with a client that wants help and one that doesn't was a major factor for PPAs. It was viewed by many as both very difficult and demoralising to go through the series of six Wfl interviews with someone who did not want help and who knew that there was nothing the PPA could do to make them avail of the Choices available. In many cases those who did not want to be helped failed to turn up for the Wfl interviews creating more work for the PPA in chasing them and trying to get them to attend the next one. In many instances the PPAs admitted that they simply gave up and waived or deferred the client so that they did not have to deal with them.
- 8.34 While all the PPAs agreed that it was a difficult process when the client did not want help there was some discussion as to whether or not they should persevere with the six Wfls regardless of whether the client wanted their help or not. Those who felt that they should persevere believed that it was similar to the New Deal process and that part of their job was to make it more difficult for those who simply wanted to remain on benefit. Others felt that it was simply a waste of their time which could be used more productively with those who did want help.

- 8.35 Another issue which was raised in relation to the Wfl process was the lack of privacy provided in many of the JBOs to discuss personal health related problems. The fact that Pathways is working with people on incapacity benefits and trying to identify their capabilities means that the nature of their incapacity/illness must form part of the Wfl process. There is no simple solution to this, because even if private interview rooms were available this would raise other issues in relation to staff safety, although in some cases and at the PPA's discretion it might be useful to have a more private area within the office when sensitive private issues are being discussed.
- 8.36 In general the PPAs feel that the Wfl process works for those who want help and they clearly put a lot of effort into identifying the client's needs and trying to meet those needs.

PCA / Capability Reports

- 8.37 The timing of the first Wfl before the results of the client's Personal Capability Assessment are known was an issue for the PPAs. They felt that in many cases once the client gets a positive decision from the PCA they were no longer interested in working with the PPA. Delays in the PCA process, which is rarely received within 13 weeks and often takes much longer, can also lead to nugatory work for PPAs as they start to help someone who then fails the PCA and is no longer part of their case load.
- 8.38 In addition the PPAs didn't see it as much of an aid to them in their job due to the poor quality and brevity of the information they contain on the nature and extent of the client's incapacity. This view also applied to the JB3 forms that they receive when the individual is referred to them by the SSA for participation on Pathways.
- 8.39 PPAs stated that clients frequently present with multiple medical problems, problems different from those stated on the JB3/PCA and in some cases problems much more severe than those identified to them. The PPA is then left to decide if the client's condition should be classified as "mild to moderate" or "severe", despite their lack of medical knowledge, and based on their own assessment may choose to waive or defer the client. This is an important issue and we will return to it later in our discussion on clients.
- 8.40 The PPAs also felt that many of the Capability Reports failed to provide them with meaningful information. Once again they were felt to be too brief and were often hand written which could lead to problems with legibility.

8.41 In reality when the PPA meets a client for the first time they know very little about them from the JB3, PCA process or Capability Report. However the PPAs do try to get as much benefit information from the SSA databases and other information from CMS as they can to help build a picture of the person's labour market history to give them some guide to the person's background and likely attitude to participation on the programme.

Screening Tool

8.42 All the PPAs reported that they used the screening tool with each client. However, there appeared to be some confusion as to the role of the screening tool with some PPAs not aware that it is intended to screen out those who are closest to the labour market. There was an expectation amongst some of them that the screening tool would help to screen out "severe" cases in incapacity terms.

8.43 Once again the PPAs stated that they did not find the screening tool particularly useful, although this may be due to their misunderstanding of its purpose rather than any particular failing in the system.

8.44 The majority of their complaints would suggest that it was the PCA process that was at fault in not identifying "severe" cases of incapacity which should have been exempted from Pathways entirely. In these cases, as mentioned above in relation to the PCA process itself, the PPAs tended to waive or defer the cases they felt should have been originally classified as "severe". However, the PPAs also identified some cases where they felt an individual had been screened out who would have benefited from their help and didn't appear to them as if they were likely to obtain work without this assistance. In terms of the screening tool process and role these could be viewed as false negatives.

8.45 In discussions about the Return to Work Credit, which we will discuss further under the heading of Choices, there were also concerns expressed that some clients were receiving this assistance who would have returned to work anyway and who were in many cases returning to the same employer. These concerns are corroborated by our findings from the client survey in relation to the effectiveness of RTWC.

8.46 These problems with the outcomes of the PCA process and the perceived failures of the screening tool have left many of the PPAs feeling that they are being placed in a difficult and potentially dangerous position in having to deal with "severe" cases, particularly where this involves mental health issues. At the moment PPAs are essentially using their own common sense to deal with this issue but it does seem to involve an unacceptable level of risk to both staff and clients.

- 8.47 One way to deal with this issue would be to establish some form of referral system for these cases so that someone medically trained can properly assess the condition of the client in light of the information they have provided to the PA and make an informed decision as to their suitability for Pathways. This would also deal with another concern of the PPAs when they do decide to waive or defer these clients and that is the fact that they are not receiving any medical treatment to deal with the problems they have disclosed to the PPA.

Deferrals and Waivers

- 8.48 As discussed above PPAs reported that this was an invaluable tool for them and they used it frequently in light of the problems detailed with the PCA process and the screening tool. Often the decision is made to defer during the pre-Wfl interview when they speak to the person on the phone and discover that their condition/illness is much more severe than they were led to expect from the JB3.
- 8.49 PPAs also feel that where the individual's health problems are clearly genuine that it is very important to work at their own pace as pushing too hard at the beginning can "get you off on the wrong foot" and reduce the likelihood of any progress into work. It was also felt that there was an element of risk in pushing some clients too hard in that it might worsen their medical condition rather than help. In these circumstances PPAs felt that deferring an individual until they are ready helps to improve the chance of progress in the longer term.
- 8.50 The powers to defer and waiver are seen as very important tools for the PPAs, however they have been told that management is going to look at the extent to which they use these processes. As a result they are worried about using them too much and are increasingly keeping in clients who they feel should be classified as "severe". This simply exacerbates the risk discussed above. The bottom line is that either PPAs are allowed to continue using the waiver and deferral processes at their discretion, provided they explain the rationale for their decision, or an alternative referral system, similar to the one discussed above, is developed.

Action Planning

- 8.51 This process was also seen as being of little use for all but a handful of clients. As a result it is not used consistently and very few PPAs actually give it to the client. Many of the PPAs complete the action planning forms and print them off after the interview with the client has ended. In one of our focus groups only two PPAs in the group gave the action plan to the client at the end of the Wfl. In general the PPAs tended to view action planning as a tick box exercise rather than something which was genuinely useful to them or the client.

Sanctions

- 8.52 The vast majority of the PPAs stated that they seldom used sanctions. They felt that it was difficult to know when sanctions were appropriate given the interplay of the health issues and the requirements of Pathways. For example, what should you do if someone fails to turn up for a Wfl and states that the reason for non-attendance was related to their incapacity? PPAs also stated that even if the decision is taken to apply a sanction the process itself is time consuming and contentious. Regardless of the outcome it also makes it more difficult to establish a positive relationship with that client in the future.
- 8.53 The outcome of these issues is that in the majority of cases the PA will defer rather than sanction the client and hope that they have more success with them after the deferral. However, there is some inconsistency here with some PPAs more likely to use sanctions than others. It was stated that one of the offices had only used sanctions on 10 occasions over the previous two years. It was in the context of this discussion that some of the PPAs raised the issue of training in relation to “decision making” so that the sanctioning process could be applied more consistently and with better understanding by all PPAs
- 8.54 In dealing with clients where the PPA believed that they were not interested in engaging with the Pathways process because they were currently working and claiming benefit the PPAs confessed some frustration at the difficulties of getting Benefit Fraud Investigators to look at these cases. They felt that the amount of information that is required by the investigators before they will start an investigation is unreasonable. It was stated that you basically had to prove that they were doing the double before the investigators would even look at it. They also commented that when they did pass on information to the investigators they found the lack of feedback frustrating.

PPA Support

- 8.55 The PPAs have found their role very difficult emotionally due to the nature and extent of the health issues many of their clients face. Where they are dealing with real health problems there is a natural degree of sympathy and concern. The most taxing emotionally are those suffering from mental health problems. The problems that many of them face in terms of isolation and the difficulties they face in socialising are difficult for the PPAs to listen to. In a few cases individuals have threatened suicide and the PPAs have not known how to deal with this with no clear lines of referral for such cases. The PPAs are then left worrying whether or not the client will carry through with their threat.

- 8.56 These concerns and worries are natural human reactions and are an unavoidable consequence of working with this target group. There are two steps which could help to lessen these stresses. Firstly, where the PPA feels that some form of medical intervention is required a referral process should be in place to inform the client's GP, other relevant medical professionals or voluntary organisations who can provide support for specific health problems. Secondly, there needs to be recognition of the emotional distress caused by dealing with these issues and some form of counselling support should be available to PPAs, particularly, in the more extreme cases where PPAs have had to deal with threats of suicide or other major mental health issues.
- 8.57 PPAs also made it clear that in the context of Pathways they have to talk to their clients about their physical and mental conditions to assess their capability for work. However, this naturally leads to disclosure by clients of health problems, particularly mental health, that PPAs are not comfortable dealing with or even discussing. They are then forced to make the decision as to whether or not they continue to work with them i.e. they have to make a diagnosis of the severity of their condition something for which they are completely untrained. To be clear, PPAs don't want to be trained in this area they simply feel that somebody else should be making this decision.
- 8.58 It is important to point out that the PPAs we spoke to felt that this wasn't an issue that applied to just a handful of clients but to a significant proportion.

Team Leaders

- 8.59 In the vast majority of JBOs the team leaders were seen as highly supportive of the PPAs, however, in a small minority there seemed to be some tensions particularly with regard to the independence and the discretion the PPAs had in taking decisions, as they saw them, in the best interests of their clients. These tensions were particularly marked with regard to the use of the Advisors Discretionary Fund (ADF) and award of the Return to Work Credit (RTWC). In general the offices where there was tension seemed to be out of step with the others with the team leaders being much more restrictive with regard to the use of these Choices than in the other offices.
- 8.60 The PPAs we spoke to recognised that there was a need for accountability but felt that due to their relationship with the client they were the only ones who could decide what was appropriate for them. They were also prepared and in practice generally do justify their decisions in writing to ensure accountability and provide an audit trail for the decision.

Guidelines

- 8.61 The PPAs generally found the guidelines difficult to use due to their size and structure. They also felt that whenever an issue arose the answer was seldom in the guidelines and they had to look to other offices or headquarters to get guidance. The simple fact that the PPAs found so many issues where they needed further guidance indicates gaps in the guidance.
- 8.62 To some extent this is to be expected with a pilot where by its very nature we expect to find things out and learn lessons as the programme matures, although as we discussed earlier there was a perception amongst the PPAs that these lessons were not being learnt or at least the lessons were not being captured in the guidelines which meant that later roll-outs faced the same problems as the earlier phases.
- 8.63 It is perhaps appropriate at this juncture to look at what is required from the guidelines, particularly with a view to streamlining them given the comments of the PPAs about their current size. What should we expect from a set of guidelines;
- A description of the overall Pathways process based around a flow diagram;
 - A description of the administrative processes required i.e. forms to be completed, information required and what it is required for (blank templates of forms themselves); and,
 - Sections on the individual Choices, what they offer, and who is eligible for them.
- 8.64 In this context it is worth noting that the PPAs generally felt that the programme required too much administration and form filling and that this limited the time that had to help clients.

Caseload

- 8.65 The main issue with regard to caseload was a perceived lack of clarity as to what was expected and a sense that it was very difficult to quantify on a caseload basis the amount of work required for individual clients. In particular, PPAs highlighted large differences in workload between those clients who wanted to be helped and those who were not interested in engaging with them. There is also the concern that caseload is essentially a process measure and as such does not reflect the desired outcomes of the programme where the emphasis should be properly placed.

- 8.66 The risks associated with too much focus on process indicators and targets have also been identified in the UK evaluation which found that offices which did well in relation to Interventions Delivery Targets i.e. process indicators did not always do well in terms of the more outcome focussed Job Outcome Targets (Purvis & Lowery, DWP 505, 2008). It is also interesting to note that IT systems or more specifically there shortcomings were seen as barriers to efficiency in the same study.

Choices

- 8.67 Overall our consultees felt that the options available under “Choices” were able to meet the needs of the majority of their clients who wanted help. The main gap that was identified is for training with no provision currently available since the changes to the New Deal for Disabled People (NDDP) which removed the Pre-Employment Training/Education (PETE) option that had previously enabled Pathways participants to access training. Our consultees felt that given the rationale for Pathways in trying to help people back into work who by definition are unable to do the work that they previously did that an option for retraining was essential.
- 8.68 It was also commented for the same reason that clients should not be barred from retraining because they already had an NVQ Level 2 or equivalent. Their existing qualifications are likely to relate to their previous employment and consequently will be of little use to them in the labour market if they are no longer able to do that type of work.
- 8.69 Our consultees also highlighted some specific issues preventing some clients from accessing the options available. They felt that it was essential that clients could be offered travel expenses to help them to get to and from an option. It was also mentioned that childcare was a big issue for lone parents and if they were to engage with the programme it was essential that childcare vouchers should be available.
- 8.70 Some of our consultees also felt that some form of training allowance should be available to clients to encourage them to take up the options available, particularly given that participation on options was voluntary.
- 8.71 In the next few paragraphs we provide comments on each of the individual options available under Pathways.

CMP

- 8.72 Our consultees were very positive about CMP. They felt that it was the right first step for many of their clients, particularly where they have mental health problems such as stress and anxiety. It was seen as a good way of building up the client's self confidence and preparing them to return to work. The PPAs also found the occupational therapists (OT) who deliver the CMP programme a good source of advice for them in relation to client's health conditions. PPAs also felt that it was important for the OTs to come into the office at least once a week to meet new referrals and discuss their cases with the PPAs.
- 8.73 While the overall perception is positive there were some issues raised. In some areas there is a feeling amongst the PPAs that the OTs are too selective in terms of the cases they accept and in particular are less likely to accept the more difficult cases. This was evidenced in one area by a very low acceptance to referral rate which was alleged to be lower than 1 in 10. PPAs felt that in situations where the OT is unwilling to take more difficult cases on that they should refer them on to other medical professionals who would be in a position to help them.
- 8.74 It was also felt that while CMP provided a useful start it was not sufficient for some clients and in these cases it was seen as unreasonable to simply bring the intervention to an end after the 12 week CMP period, particularly if they were making progress and had the potential to return to work. It was therefore felt that in these instances, which would be the minority, that there should be flexibility to extend the period of support offered by CMP.
- 8.75 The fact that CMP is unable to take people with drug and alcohol issues was seen as a problem by the PPAs. A significant number of their clients suffer from this type of problem and it was viewed as essential that some form of provision should be available to them. If CMP is not the right programme then there should be a system of referral to programmes which are suitable.

WPP

- 8.76 The feedback in relation to the Work Preparation Programme was mixed with some offices reporting it as successful while in others it was hardly used at all due to the PPAs perception that it had little to offer the client. Many PPAs feel that the programme has not lived up to their expectations based on what they were led to expect from their training. The issues raised included the following;
- They understood that the programme would be roll-on roll-off but this has not been the case in most offices with delays of three months in some cases to get someone onto the programme.

- In a number of cases the providers have not been able to find placements in the sectors that the client wants.
 - Placements in some areas are seen as short and of low quality.
 - Lack of support from the providers when the clients are out on placement. This support was seen as important for this client group; it is not sufficient to leave them to their own devices.
- 8.77 There were a few areas where the providers were viewed as doing a good job and the key to their success was put down as local labour market knowledge and good employer relationships.
- 8.78 A number of consultees stated that this option could be provided more effectively internally if the additional resources were provided to enable PPAs to get out of the office and build relationships with local employers and provide support to clients on placement. A number of PPAs stated that it had been their expectation based on their job description and training that they would be spending time out of the office doing this type of work but that this has not been realised. A concern was also raised that the redeployment of the DEAs to the JBOs and the resulting change in their duties would mean that they would no longer be able to maintain their existing relationships with employers.
- 8.79 The vast majority of our consultees also felt that CMP and WPP should be available together. They felt that they complemented each other with CMP providing support to the client while they tried to make the transition into work with WPP.

RTWC

- 8.80 Return to Work Credit (RTWC) was seen by most of our consultees as a good incentive to get clients back into work. It is essentially the only carrot they have to offer to their client groups to encourage them to return to work. However, some of our consultees felt that many of the clients who received RTWC would have returned to work anyway and often were returning to the same job. This is clearly a concern and would suggest, as does our quantitative analysis, a level of deadweight within this element of the Programme.
- 8.81 A number of other issues were also raised in relation to RTWC, as follows;
- From our discussions there appeared to be some inconsistencies in the criteria applied in deciding whether clients qualified for RTWC.
 - There was a degree of uncertainty as to how the earnings cut-off should be applied i.e. should it be assessed on the basis of

actual expected pay over the year or pro-rata on the most recent week's income?

- There have been particular concerns about the self-employed and how income is verified.
- There were queries with regard to the type of information required from the client to verify their income. Are clients required to provide copies of their payslips? Do the self-employed have to provide accounts?

NDDP

8.82 Overall, very few issues were raised with regard to NDDP with most PPAs seeming to feel that the programme was well bedded in and worked well for those clients for whom it was appropriate. The only issue of note related to the changes made to NDDP last year and the removal of the PETE options which the PPAs had used to provide training interventions for their clients. That said, the PPAs did not seem to make many referrals to the programme, particularly when compared with the extent to which it is used in Great Britain.

ADF

8.83 The Advisors Discretionary Fund (ADF) is another element of the programme where there appear to be some inconsistencies across the offices with some offices much stricter in interpreting when an ADF grant can be made available than others. These issues centre around when and what they are allowed to use it for.

8.84 In some offices the PPAs are only allowed to use ADF when there is a firm offer of a job or the client is considered to be very close to securing employment, whilst in others it is seen as legitimate to use it at any stage as long as it progresses the client toward employment.

8.85 There has been a particular issue with the use of ADF to pay for training courses in the absence of any other training provision on the programme. Firstly, some offices felt that it was legitimate to use ADF for the purpose of funding training at FE colleges while others did not. Secondly, where this approach had been used it has now been stopped because the FE colleges have stated that it is double funding and under their regulations the clients have to pay the full cost for the training which is beyond the scope of ADF.

Relationships

8.86 In this section we look at the internal and external relationships that form part of the Pathways initiative. In particular, we examine how the cross-departmental element of the programme has operated between DEL and the DSD agency the SSA.

DAS

8.87 In general the PPAs were very positive about the help and support they have received from the DEAs and DAS staff in general. Many of the PPAs said that they would be lost without DEAs who;

- help them to provide solutions for difficult clients;
- have knowledge of local support agencies; and
- can advocate to employers.

8.88 The only area of contention was with regard to the redeployment of the DEAs with a degree of unhappiness amongst both JBO and DAS staff. Some of this was irritation at the way in which the changes are being implemented with DEAs having their choice of offices and supplanting the existing team leaders who in some cases have built up considerable experience of Pathways.

8.89 Aside from these personnel issues there were also concerns that the changes would lead to the erosion of the particular expertise that makes the DEAs support so indispensable to the PPAs. It was felt that their new line management responsibilities, particularly with the introduction of QAFing, would make it impossible for them to maintain their links with employers and with voluntary organisations that can in some cases provide alternative support programmes for clients with specific needs.

SSA

8.90 Relationships with the SSA and Incapacity Benefit (IB) Branch in particular were seen as very good across all of the JBOs. There was recognition by the PPAs that IB branch had made a particular effort to support them and try and fast-track their clients. It was also felt that when advice was sought that they were very helpful.

- 8.91 As discussed above there were some frustrations at the time the PCA process took, though this was seen as being largely outside the control of the staff in IB branch. However, concerns were expressed as to what would happen when all of the remaining offices went live in April 2008 with the SSA no longer able to focus their resources on the cases for the pilot offices and having to provide the same level of service to all the JBOs.
- 8.92 There were some frustrations with regard to benefit rules, although most of the PPAs recognised that the SSA simply did not have any flexibility in this regard as these regulations are enshrined in legislation.
- 8.93 Overall the responses were very positive and indicate a good working relationship within the joint initiative. The relationship is undoubtedly helped by the number of PPAs who have previous SSA experience and understand the approach and processes they have.

Health Sector

- 8.94 The existing relationships with the health sector in terms of the CMP are, as discussed above, viewed as very positive. However, it was clear from our discussions that the PPAs would like to have more support from the health sector in general and in particular access to other programmes within the sector that could meet the specific needs of their clients. At the very least, where the PPA feels that the client has ongoing and potentially severe health issues, beyond the scope of CMP, they would like to be able to refer them to the relevant health professionals.
- 8.95 Overall, relationships within the Pathways initiative have been positive, particularly between the PPAs and the SSA and the PPAs and DAS. This has also generally been the case with CMP and the OTs with a couple of exceptions.
- 8.96 The one area where there have been some problems is in the delivery of WPP with the majority of JBOs reporting problems with their providers and the level of service they are receiving from them.
- 8.97 The other issue that arose related to other relationships the PPAs would like to develop, particularly more widely with the health service so that they could refer clients with particular problems and also get some medical input as to the suitability of clients for participation on Pathways. The PPAs would also like more time to develop relationships with employers and with the Voluntary sector to widen the offering they can give to their clients so that they can more appropriately meet their needs.

Clients

8.98 In our discussions of the client group there were two main issues that the PPAs raised. The first was common across all of the offices and related to their concerns that a significant proportion of the clients they had to deal with had conditions that were not “mild to moderate”. The second, which was more prevalent in urban areas, was that a high proportion of their clients did not want to return to work and in many cases had moved onto IB to avoid the requirements of the New Deal.

Dealing with “severe” cases

8.99 The PPAs felt that the screening process with regard to “severe” cases was not working for a number of reasons;

- Clients are referred to them before the PCA process and consequently there is no real opportunity to exempt them before the initial Wfl;
- The client has more than one health issue and the most severe is not identified in the IB claiming/ PCA process;
- Voluntary clients can come on to the scheme without any assessment of whether or not their incapacity is “severe”; and
- As a result of the Wfl process and discussions around the client’s capabilities they may reveal other health issues.

8.100 These concerns were most acute among the PPAs where the clients had what they considered to be “severe” mental health problems. These concerns were twofold, firstly for themselves in terms of safety and secondly the need for these clients to receive some medical help.

8.101 There are two key areas where the PPAs feel these risks need to be better managed. First, at the outset of the IB claim when the JB3 form is being completed it should be considered whether or not the individual is likely to be classified as “severe” at the PCA. If it seems likely, and particularly where it involves mental health issues, these cases should be deferred until after the PCA process has taken place. Those undertaking the PCA should also be aware of what will be expected of those viewed as suitable for Pathways and build this into their assessment of the individual’s health status.

8.102 Second and most important for the safety of both PPAs and clients there should be a medical referral system which would allow PPAs to refer cases where they have concerns that the client’s condition is more severe than has been previously identified.

- 8.103 The prevalence of mental health issues amongst the client group is in itself a major concern for the PPAs regardless of whether they are considered “mild to moderate” or “severe”. In particular, with this client group they feel they have to take on more of a counsellor role as they try to identify what the individual’s barriers to employment are and encourage them to consider taking one of the “Choices” and preparing them for employment. As a result of this process disclosure is unavoidable and the PPAs find this especially difficult when it relates to depression, in some cases with self harming and in the most severe suicidal thoughts or threats. This was a particular problem with young men.
- 8.104 This creates two problems for PPAs. The first, we have already discussed above, is the issue of whether or not the health problem is “severe” and consequently the PPA should not be working with them. PPAs do not feel that they are capable of making this decision and that essentially it requires a medical assessment of the client. The second is the emotional distress for the PPA when listening to the disclosure of what are often traumatic events. At present the PPAs deal with these issues by discussion amongst themselves and while this helps they do not feel that it is sufficient and would like to see some form of counselling support available that they could avail of to discuss these issues.
- 8.105 Another sub-group of clients that the PPAs find difficult to deal with are those suffering from alcohol and drug dependency. It is worth noting that this is frequently a hidden problem with in many cases another medical problem having been given as the reason for claiming IB. The PPAs find this group very difficult to deal with and feel that Pathways needs to develop a specific response for them either directly or by referring them to someone who can provide them with the support they need. At the moment the response across the JBOs is inconsistent. In some areas they don’t know what to do with them and simply defer or waive them, in other areas they refer them on to local self-help groups who can provide them with some help if they want to avail of it.

Benefit Hoppers

- 8.106 The PPAs, particularly in urban areas, felt that a large percentage of their clients had no interest in engaging with the Pathways process and were simply claiming incapacity benefit to avoid the requirements of the New Deal. This issue was seen as most severe with stock clients who had been on IB for a number of years were perceived as having no desire to find work.
- 8.107 With regard to new clients, who did not want to return to work, once they had passed their PCA the PPAs found it increasingly difficult to work with them as they were aware that there is no element of compulsion beyond the six Wfl interviews.

8.108 The PPAs find this group difficult to deal with and while most of them feel that they should make it as difficult for these clients as possible by ensuring that they do attend the six WfIs they also feel that it is essentially a waste of time. The PPAs are clearly happiest, perhaps not surprisingly, working with clients who want their help and with whom they feel they can make some progress.

Client Outcomes

8.109 As we discussed in the section on rationale all of the PPAs recognised that the primary aim of Pathways was to get people into employment. However they felt that to just measure their efforts on this basis was not realistic in the context of the clients they were dealing with. In the first instance due to the voluntary nature of the programme if the individual doesn't want to consider a move into employment there is little they can do. They also felt that there was a need to recognise that even amongst those who do want their help there are individuals who are a long way from the labour market in terms of the health and incapacity issues they are facing and that there is a need to recognise progress within this group towards the labour market.

External Consultees

8.110 In this section we present a summary of findings from our workshop with Voluntary Sector organisations.

Need & Rationale

8.111 The participants³⁹ at the workshop felt that there was a need for a programme like Pathways however they stressed that it was not the solution for all of those currently on incapacity benefit. In particular there were concerns that the roll-out of Pathways and the associated costs might reduce the available expenditure for those with more severe disabilities that many of these organisations work with.

Programme Provision

8.112 The vast majority of the participants had some role in the provision of support to people with a disability either within Pathways as Work Preparation Programme (WPP) providers or outside in terms of bespoke programmes for those with more severe disabilities. Their views on provision are divided into two areas as follows;

- Wider provision of support to people with disabilities

³⁹ The attendees included Proteus; USEL; NorthCity Training; Action Mental Health; Disability Action; Triangle; RNIB.

- Pathways to work provision

Wider Provision

8.113 The participants at the workshop expressed a number of concerns about the impact of Pathways on existing provision within the voluntary sector for those with more severe disabilities. Their concerns included the following;

- That Pathways does not provide provision for those with more severe disabilities and that provision for this group needs to continue;
- Some of the participants felt that there was an even wider issue in terms of joined-up government with in their view the Health Sector tending to view their work as training and employment related whilst DEL tends to view it as a health issue;
- That changes in Disablement Advisory Service (DAS) within DEL in particular the re-deployment of Disablement Employment Advisers (DEAs) as Pathways team leaders would lead to a dilution in the availability of staff with the skills and experience to deal with more severely disabled clients; and
- There is a perception amongst these organisations that existing DAS provision for those with more severe disabilities is being cut back and that this is related to the roll-out of Pathways.

Pathways Provision

8.114 A number of the participants at the workshop were WPP providers and they made the following observations with regard to the implementation of this element of Pathways.

- From a commercial perspective the number of referrals to WPP was much lower than they had been led to expect and made the programme economically unviable for them.
- They felt that some of the referrals that were made to them were not suitable for WPP largely because they believed that their conditions lay at the more severe end of the spectrum.
- In relation to the low numbers being referred they made two observations. Firstly that the level of benefit top-up (£3) provided to participants was insufficient to make the programme attractive. Secondly, they were unhappy that they had not been allowed to market the programme to encourage more participation.

- They would like to see the Condition Management Programme (CMP) and WPP provided in tandem and as part of that much closer links between the providers of both elements to maximise the benefit to the client.
- They expressed a specific concern about the time-bound nature of CMP with participants only receiving 12 weeks treatment regardless of their medical needs. They felt there was a need for much better referral processes from this element to ensure that people received the treatment they required. This issue was also raised by some of the clients we spoke to.

Key points summary

8.115 In this final section we present a summary of the findings from the sections above. As stated in our introduction these findings must be assessed in the context of the findings from our client survey and analysis of the administrative databases.

Need & Rationale

8.116 The nature and composition of the target group is a key issue for the programme rationale and one that is an important focus of the quantitative elements of this evaluation. The consultations indicated four broad groups;

- Those who wish to remain on benefit and are not interested in finding work;
- Those who are on IB for a short period due to temporary illness or injury and are likely to return to work, probably with the same employer, without any intervention.
- Those who are on IB due to a “severe” incapacity which means they are unlikely to be able to return to work on the basis of the support offered by Pathways; and
- Those on IB who have a “mild to moderate” incapacity which may limit them in relation to some forms of work but not all and who wish to avail of the opportunities available under Pathways.

8.117 A key question for the evaluation of the pilots is therefore whether or not they are well targeted at those they can help most i.e. with the highest additionality.

Pilot Inception

- 8.118 The main issue that arose with the pilots was a sense that the lessons that were learnt in the earlier phases were not communicated to subsequent roll-outs either through training or revised guidelines meaning that each time the same issues and problems arose without any ready solution.
- 8.119 The one success in this area was the “buddying” system between earlier offices and later roll-outs which helped to ameliorate this problem to some extent, although it was also the key mechanism for identifying this failing i.e. the PPAs in the earlier offices had their colleagues from the later offices coming to them with queries they felt has already been dealt with.
- 8.120 In addition the following issues were also raised with regard to the roll-out of the pilots;
- A lack of training on the process side of the PPA role;
 - Need for training in “decision making” and a better understanding of how and when sanctions should be used in the context of Pathways; and
 - The fact that some options were not in place when offices went live made it difficult to work with clients in the early stages because they had little to offer them.

PPA Role

- 8.121 Our overall impression from the PPA focus groups, and other meetings with operational staff, was of a group who were keen to work with and help their clients but who felt that many of the systems in place hindered rather than helped them in this process. Some of these issues relate to processes within the SSA with regard to the PCA and Capability report.
- 8.122 With regard to the processes within DEL the key issues raised include the following;
- CMS and the perception amongst PPAs that it was cumbersome and ill-suited for their purposes was a major issue in terms of efficiency;
 - Variability in the degree of autonomy given to PPAs in different JBOs;
 - The quality of the guidelines; and

- Difficulties in obtaining clear and unequivocal responses to queries.

Choices

8.123 While there were major bedding in issues with CMP and WPP not being available in a number of offices at the outset the overall view is that Pathways does provide a good range of options to help the clients. That said there is considerable variability across the offices in relation to the delivery of the core elements of pathways. These include the following;

- CMP providers are more selective in some areas than others;
- The service provided by WPP providers is seen as highly variable across the JBO network;
- The use of RTWC seems to vary across the offices; and
- There also appear to be inconsistencies in relation to when, and for what, the ADF can be used.

Relationships

8.124 Overall, relationships within the Pathways initiative have been positive, particularly between the PPAs and the SSA and the PPAs and DAS. This has also generally been the case with CMP and the OTs with a couple of exceptions.

8.125 The one area where there have been some problems is in the delivery of WPP with the majority of JBOs reporting problems with their providers and the level of service they are receiving from them.

8.126 The other issue that arose related to other relationships the PPAs would like to develop, particularly more widely across the health service so that they could refer clients with particular problems and also get some medical input as to the suitability of clients for participation on Pathways. The PPAs would also like more time to develop relationships with employers and with the voluntary sector to widen the offering they can give to their clients so that they can more appropriately meet their needs.

Clients

8.127 The PPAs are concerned that management do not realise how limited the client group with whom they can make progress is. On the one hand there is a large percentage, some offices estimated as high as 80 per cent, who do not want to engage with Pathways, and on the other there is a significant proportion of the remainder who in the opinion of the PPAs should be classified as “severe” and exempted from Pathways altogether.

8.128 In summary, those clients that PPAs identified as easiest to move back into work are as follows:

- Fresh claims;
- Those who have just left work;
- Others who have a work history; and,
- Those whose conditions are mild to moderate.

8.129 The programme was perceived to work less well for:

- Those with “severe” health problems, particularly mental health;
- Those with drug and alcohol dependency issues;
- Those who have been on IB for a long period and as a consequence have a limited work history; and,
- Benefit hoppers who do not want to move into employment.

Overall

8.130 Our impressions from our focus groups and meetings is of a group of PPAs and staff in general who are highly motivated to do the job and seek to help their clients to the best of their abilities. There are clear frustrations with regard to the administrative side of their work and a sense that some of this is unnecessary. In particular they have highlighted failings in the decision making processes for the pilots which have meant that the lessons are not being learnt either through changes to the systems, improvements in the training or changes in the guidelines.

- 8.131 They also feel somewhat exposed at times with certain types of clients particularly those with mental health problems which they feel are more towards the severe end of the spectrum but yet are not exempted from Pathways. In dealing with this group of clients they would like more medical input in terms of diagnosis i.e. is their incapacity “severe” or “mild to moderate” and more options for referral for treatment.
- 8.132 The PPAs would also like to have a wider role, which many feel was part of their original job description, or as they put it how the job was sold to them, in building relationships with employers and others who could potentially help them in moving their clients towards employment.

9 Qualitative Interviews with Pathways Clients

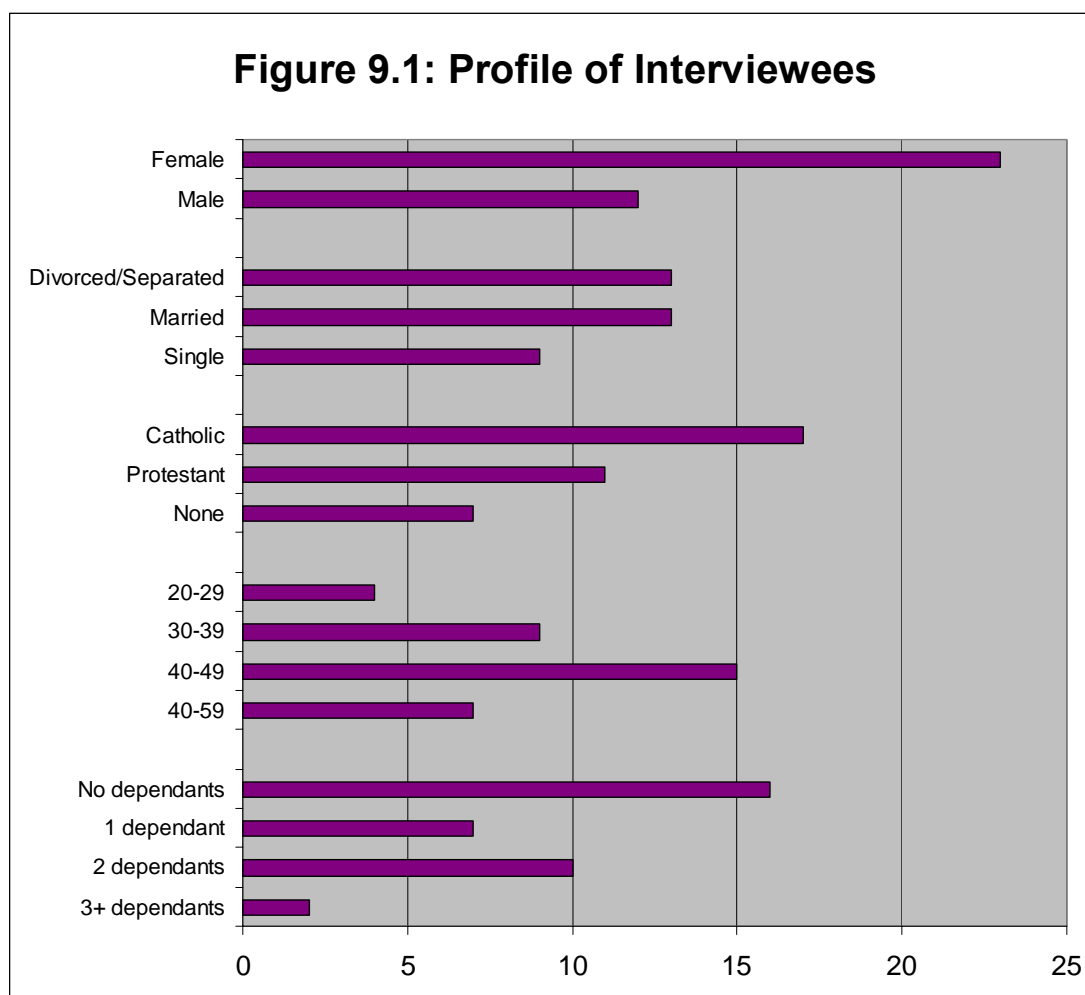
Introduction

- 9.1 In this Chapter we present the findings from our face-to-face interviews with Pathways clients. This element of our research provides an insight into the views and thoughts of clients who have participated on the Pathways programme.
- 9.2 The sample frame was drawn from clients who had had at least one interview with a PPA and/or had participated on one of the options available under "Choices". The interviews were held in Jobcentre Offices in private interview rooms.
- 9.3 Our original target was to undertake 50 interviews, however due to a high number of "no-shows" and difficulties in some areas in persuading clients to participate we were only able to achieve 35 interviews. This was despite arranging 65 interviews in total at the outset to allow for some level of "no-shows". Overall, then just over 50 per cent of clients attended their pre-arranged interview.
- 9.4 It is important to recognise that this is not a random sample and that the participants are essentially self-selecting i.e. those who were willing to come to an interview to discuss their experience of Pathways. In this scenario participants can be motivated by negative or positive views of their experience or it may simply reflect their willingness to accommodate our request. Our impression based on their highly positive responses about the PPAs is that many within our sample were motivated by positive views towards Pathways and this should be borne in mind before making any wider assumptions based on this analysis.

Profile of Interviewees

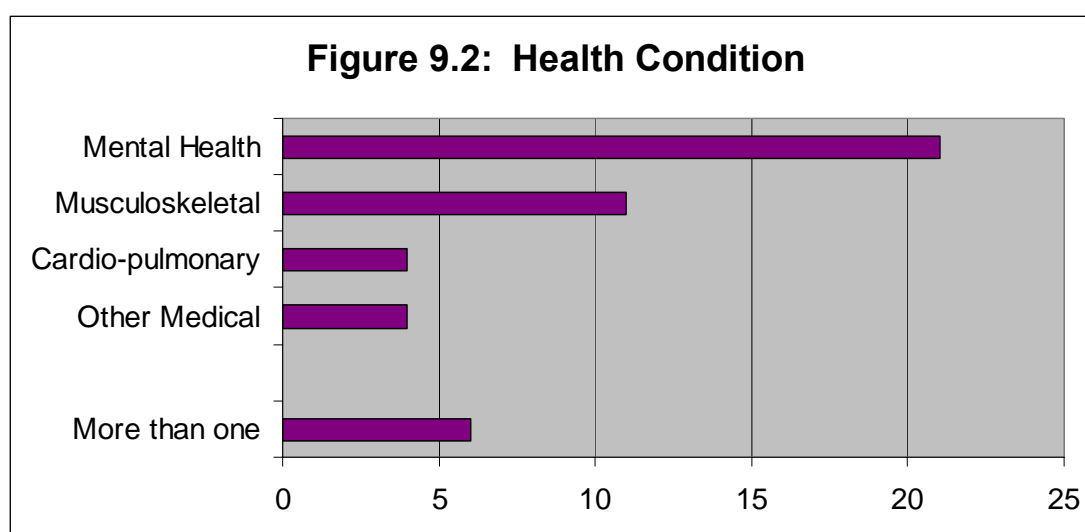
- 9.5 The profile of our interviewees is shown in Figure 9.1. The largest proportion of our sample was women (66 per cent) almost 2-to-1 relative to men (34 per cent). By comparison the 2001 Census showed that of those classified as permanently sick or disabled 51 per cent were male. In terms of religion the largest group were Catholics (49 per cent) with 31 per cent Protestants and 20 per cent no religion or atheist. The proportion of Catholics in the sample is broadly in line with the 2001 Census but Protestants are under-represented and none over-represented (Census figures based on community background and as such will tend to understate the proportion with no religion).

- 9.6 The modal group in terms of age was from 40 to 49 years of age who made up 43 per cent of the sample. The next largest group were the 30 to 39 year olds at 26 per cent. Of the remaining age categories 20 per cent were aged 50 to 59 years old and 11 per cent between 20 and 29 years old. The only difference from the distribution one would expect from the Census figures is that for the 50 to 59 year olds but presumably that reflects the fact that the programme was not compulsory for them.
- 9.7 In terms of marital status the numbers were the same in the married and divorced or separated categories at 37 per cent, with 26 per cent single. The numbers of people divorced or separated is higher than would be expected from the Census where just 16 per cent of those categorised as permanently sick or disabled were divorced or separated.

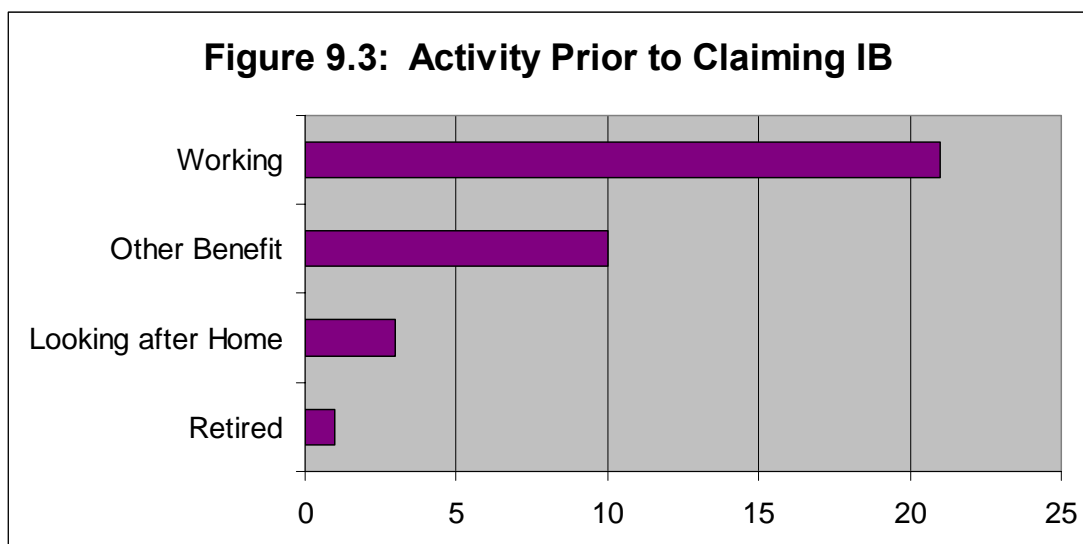


- 9.8 In relation to dependants the largest group amongst our interviewees had no dependants at 46 per cent. Of the other categories 20 per cent had one dependant, 29 per cent had two dependants and 6 per cent had 3 or more dependants.

- 9.9 This analysis provides an overview of the composition of our sample, however we would point out that no attempt was made during the interview setup to ensure that the sample was representative as mentioned above the only criterion used was participation on some element of the Pathways programme.
- 9.10 In Figure 9.2 we can see a breakdown of the conditions experienced by our interviewees. By far the largest proportion were suffering from mental health problems at 60 per cent. This is much higher than the proportion in Figure 2.5 for all working age disabled people by impairment where just 14 per cent have mental health problems. That said, there is evidence (DRC, 2004) that there is a much higher incidence of mental health problems amongst new and repeat claims to IB than within the population of IB claimants as whole.



- 9.11 The next largest group is musculoskeletal with 31 per cent of interviewees. This is more in line with Figure 2.5 with 35 per cent of the working-age disabled having a musculoskeletal problem. Eleven per cent of our interviewees fall into the other two categories of cardio-pulmonary and other medical. These proportions are approximately half what might be expected from the distribution in Figure 2.5.
- 9.12 Figure 9.3 shows the labour market activity of our interviewees before their claim for incapacity benefits. The largest group, 60 per cent, were working before their claim for IB. This is broadly in line with the research in GB where 70 per cent of new and repeat IB claimants had spent most of their working lives in steady employment (DWP, No.469, 2007). Of the remainder 29 per cent had been on other benefits prior to claiming IB, 11 per cent were looking after the home and 3 per cent were retired.



9.13 In the remainder of this chapter we set out our findings from the face-to-face interviews with Pathways clients. Their responses are set out under the following headings;

- Views on initial contact
- Issues discussed with PPA
- Experience of “Choices”
- Benefits of participation
- Current activity
- Labour market aspirations

Views on Initial Contact

9.14 The majority of the clients we spoke to were not perturbed by the initial contact from the Jobcentre about Pathways. A number of them welcomed it saying that up until the contact with Pathways they had felt forgotten or “on the scrap heap”. These clients were unhappy about their current situation and wanted change. There was however a significant minority who were worried or stressed by the contact from the Jobcentre. As one individual put it “any letter was a threat”. In Box 9.1 we present some of the comments clients made with regard to their first contact with Pathways.

Box 9.1: Client Comments on First Contact with Pathways

“Nervous at first didn’t know what to expect thought it would be ‘Spanish Inquisition’ but I was pleasantly surprised”

“First time a bit nervous but after that found them very helpful”

“A little bit anxious that that they were going to force you back to work before you were ready”

“My confidence and self-esteem were nonexistent and any letter was a threat”

“Felt it was a lifeline, stuck in a rut at home and wanted to get back to work”

“Felt relieved when contacted had felt isolated and alone, felt unemployable”

“Alright about it, but didn’t really know what it was about”

“Why were they sending her this letter she still had her job?”

- 9.15 All of the clients who received a call before their letter felt that this had been a help and many of those who were worried or concerned felt that the PPA did a good job of allaying their fears. This practice is clearly helpful in establishing a positive relationship between the PPA and the client and should remain a part of any revised programme in the future.
- 9.16 It is worth noting that there were some concerns voiced in the GB evaluations about the wording of the letter that was sent out to clients with a feeling amongst PPAs that it would be better in this initial stage to focus on the positive elements of what is available under “Choices” and to down play the role of sanctions and compulsion. There was also some discussion around the separation of the support and sanctioning elements of the programme, perhaps using different staff for each so as not to impact negatively on any positive relationship between the PPA and the client.
- 9.17 Overall, the PPAs seem to have done a good job of reducing people’s anxiety and concerns and all of our consultees said that they were much happier after there first meeting with the PPA.

Issues discussed with PPA

- 9.18 There was no clear pattern in the issues discussed with PPAs at the first meeting with some clients stating that they mainly talked about their condition while others stated that it was hardly mentioned and the main focus was on work. In many ways this is a positive finding as we would expect the PPA at this stage to largely adopt a listening approach and let the client set the agenda. That said it may simply reflect the clients' recall or possibly different approaches amongst PPAs.
- 9.19 A large majority of the clients remembered discussing at least some of the options available to them under "Choices" with many of them aware of the full range of "Choices" that Pathways has to offer. In general the clients were positive about the options and were pleased that there were things they could do to help them to move from their current position.
- 9.20 However, there were some who due to their view of the severity of their condition felt that there was really nothing that could help them and were resigned to IB although many of them were still frustrated at their situation. This attitude was most prevalent in clients who had a strong work history and who were suffering from musculoskeletal problems, particularly back and neck injuries, which left them in considerable pain and on high doses of painkillers.

Box 9.2: Client Comments on Pathways Personal Advisers

"Gave me a more positive outlook, more upbeat about chances of getting back into work or training"

"Rate PPA very highly, she was empathetic, helpful, non-judgemental, just excellent"

"Advisor didn't have an agenda, just listening"

"I found my PA more helpful than my Doctor"

"Gave her hope, focussed on the positives"

"Tried to get her to change the way she thought about her problems"

"Really helpful girl, fantastic, really, really good"

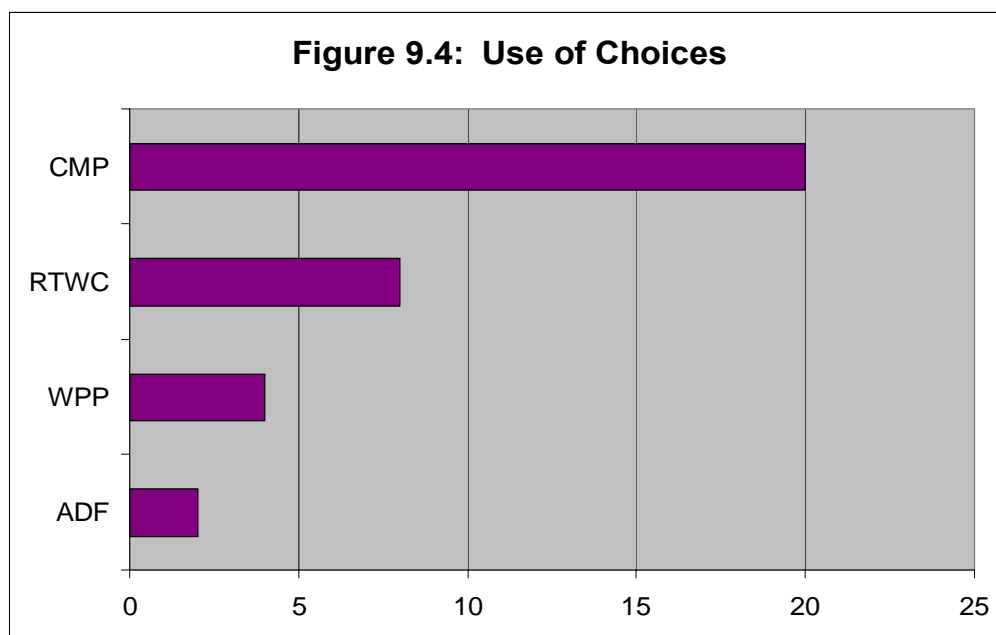
"Asked about condition and what was on offer but not forced just trying to help"

"Helped to see things more positively rather than negatively as before"

- 9.21 All of the clients were very positive about their PPA and felt that they were generally interested and trying to help them with their problems. The strong impression one gets from the clients is that they really welcomed the opportunity to discuss their problems with someone outside their normal circle of friends and family and who was seen as non-judgemental and positive. Some of their comments regarding the role of the PPAs are set out in Box 9.2.
- 9.22 The responses to the PPAs role from the clients illustrate just how important their role is. In a number of cases clients were unhappy about other elements of the programme or just generally about their own situation but as stated above all were very positive about the PPAs even those that felt there wasn't much they could do for them.

Experience of Choices

- 9.23 As stated at the outset one of the criteria for inclusion in our sample was that the client had participated on some element of Pathways although this may simply have been attending one Wfl. However, as we can see in Figure 9.4 a large number of our interviewees had participated on at least one element of "Choices".



- 9.24 Of the clients we interviewed by far the largest number had participated on the Condition Management Programme (CMP) at 60 per cent of all interviewees. The next most popular option was the Return to Work Credit (RTWC) with 23 per cent of our interviewees. Only four individuals had experienced the Work Preparation Programme (WPP) and only two had received assistance from the Advisers Discretionary Fund. This is solely based on the respondents own recall of their participation on Pathways.

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- 9.25 Those who participated on CMP, particularly those with mental health issues such as stress, anxiety and depression, were very positive about their experiences of the programme with some commenting that it had dramatically improved their lives. Those with musculoskeletal problems and other non mental health conditions were less positive about the programme although most felt it had helped in some way.
- 9.26 There were a couple of participants who felt that a set twelve week period was not appropriate for this type of intervention. Their view was that it should “take as long as it takes” and that it wasn’t reasonable to begin treatment if it wasn’t going to be followed through.
- 9.27 This was a concern that was echoed by the PPAs in our consultations. From their perspective the issue was what to do with someone who had been through CMP but still required medical intervention to help them get back to work. As the programme stands there is nothing more the PPA can do for them.
- 9.28 The RTWC was seen as very helpful for people phasing their way back into work. It basically gave them a little more flexibility and allowed them to start off working part-time without as big a loss in earnings as they might have had otherwise. A couple of the interviewees felt that by allowing them to do this it helped reduce the chances of them getting ill again and consequently increased the likelihood of a sustained return to employment.
- 9.29 A few interviewees commented that it was a bit of a wrench when it came to an end and some would have liked to see RTWC go on for longer. However most felt that a year was about right. There was also some uncertainty amongst participants as to how their income was calculated and when they would become ineligible. This was also an issue for PPAs and some clarity in terms of calculation needs to be provided, in particular, should calculations be based on extrapolated or cumulative earnings.
- 9.30 While only four of our interviewees had participated on the WPP they were largely positive about their experience and felt that the provider had done their best to get them the placement they wanted although this was not always possible. One of them had really enjoyed her placement in a café and at the time we spoke was very hopeful of turning it into a part-time job. Another had been on placement with a voluntary organisation and was continuing to work with them on a voluntary basis after the end of the placement. ADF had only been received by two participants and in both cases for fairly minor expenditures.

- 9.31 In Box 9.3 we have set out some of the comments made by our interviewees with regard to their experiences on “Choices”. As one would expect from the preceding discussion they are very positive and give some insight into the benefit the clients felt they obtained from their participation.

Box 9.3: Pathways Client experiences of “Choices”

“The CMP helped her to get out of the house and go shopping on her own, gave her little tasks to do each day to help her get out of the house” (client had been agoraphobic for 4 years since a series of bereavements)

“CMP has helped condition a bit, after it I was able to come off anti-depressants. It wasn’t the only reason but definitely helped”

“CMP provided him with a programme to build up his self-esteem and confidence found it very fulfilling gave him a real boost”

The CMP pain management programme taught her how not to overdo things, to establish limits”

“Wanted to do a training course so had to go off incapacity benefit onto income support to qualify for the New Deal, couldn’t do it while on Pathways”

“Phased return to work was really helped by RTWC allowed me to go back part-time at the start”

“Great incentive to get back to work, £40 per week came in really handy, but was always going to go back to work couldn’t afford not to.”

“Health professional were good ME is not easy to deal but the occupational therapists had a lot of experience working with ME sufferers.”

“CMP was helpful. How to deal with depression, although sometimes it works and sometimes it doesn’t.”

“It was a real struggle, not easy to get in from where I live and no help with travel.”

“CMP was brilliant, completely taken by surprise didn’t expect it”

- 9.32 The only negative comment in Box 9.3 is from a client who wanted to undertake training to help them get back into work and found that they had to go off IB and onto JSA to get help with funding for the programme. The absence of a training option is a major gap in the programme as already discussed in Section 8.

Benefits of participation

9.33 The interviewees were asked whether they felt that participation on Pathways had helped them in moving towards work or with their condition. A majority of clients said that it had helped them in respect of finding work (63 per cent) and with their condition (57 per cent). However, some felt it had made a dramatic difference while others only felt that it had “helped a bit”. A sample of their comments is set out in Box 9.4 to give some flavour of the extent to which people felt it had helped them.

Box 9.4: Pathways Client comments of overall impact of participations

“Beyond words, has made a massive difference Helped him to live”

“Has helped with both, thought she would have been on the scrap heap, helped her to get a job and manage her condition”

“Only for them wouldn’t be where she is today. They had the answers and explained everything step by step”

“If you want to confront your issues it is very good”

“I would have gone back to work anyway by it helped with the transition”

“Not really, still on highest dose of anti-depressants and even that doesn’t help”

“Helped me to understand my condition better but hasn’t made a massive difference”

“Would like to work but no qualifications and physical and mental health issues”

“Not really.”

“Pretty much nothing out there for ME sufferers just need flexibility when sick.”

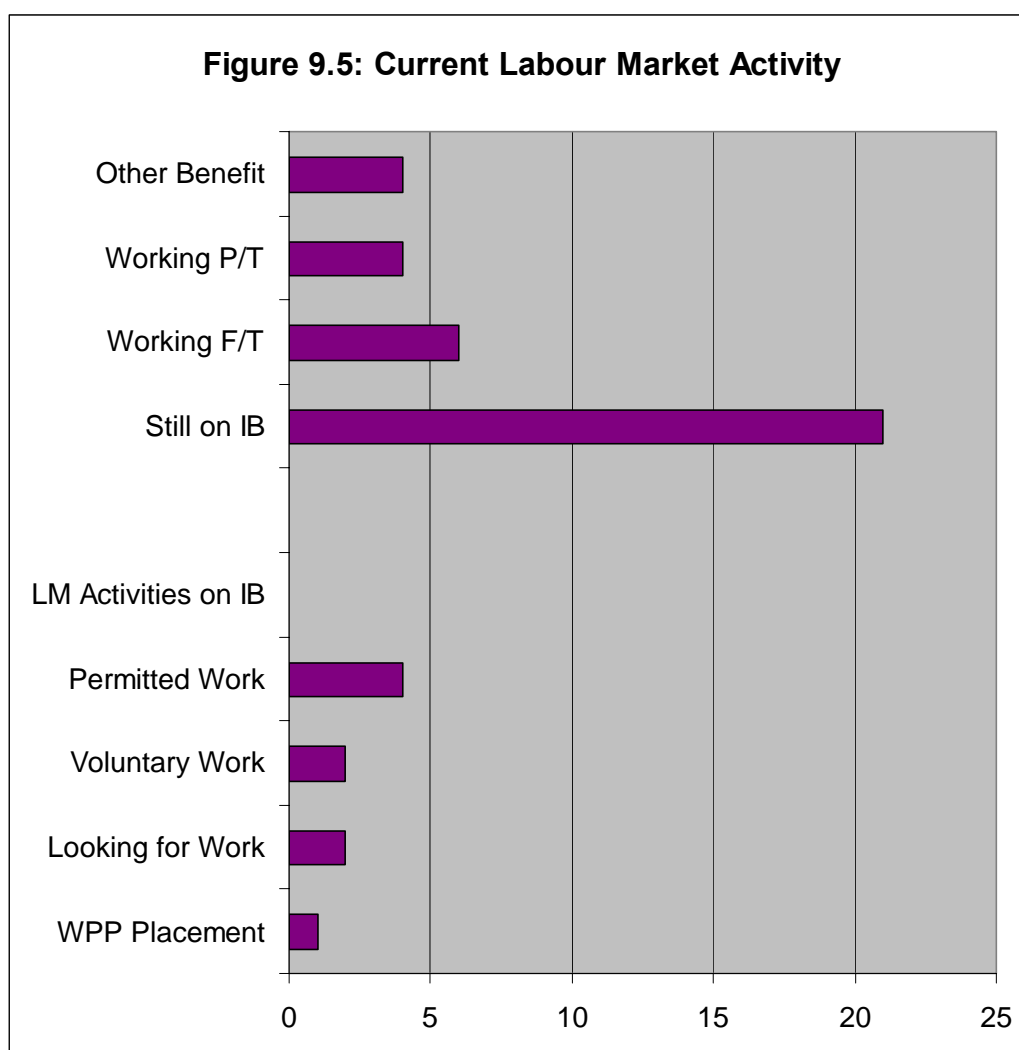
“Still be depressed still have down days but not as many as used to be.”

“Has helped in a way, understand it better, still have good days and bad days.”

9.34 The comments in Box 9.4 give a good indication of the range of views expressed in relation to the overall impact of Pathways on these participants. For some it has made a fundamental difference to their lives. For others, it has made a step increase in how they understand and manage their condition while for others it has had very little impact. As mentioned above those in the latter category tended to suffer from musculoskeletal problems and felt that Pathways had relatively little to offer them. One interviewee said that what he needed was back surgery but he couldn't get it under the NHS and it would cost him £30,000 to have it done privately which he couldn't afford, clearly in that context a pain management programme may seem of limited use.

Current Activity

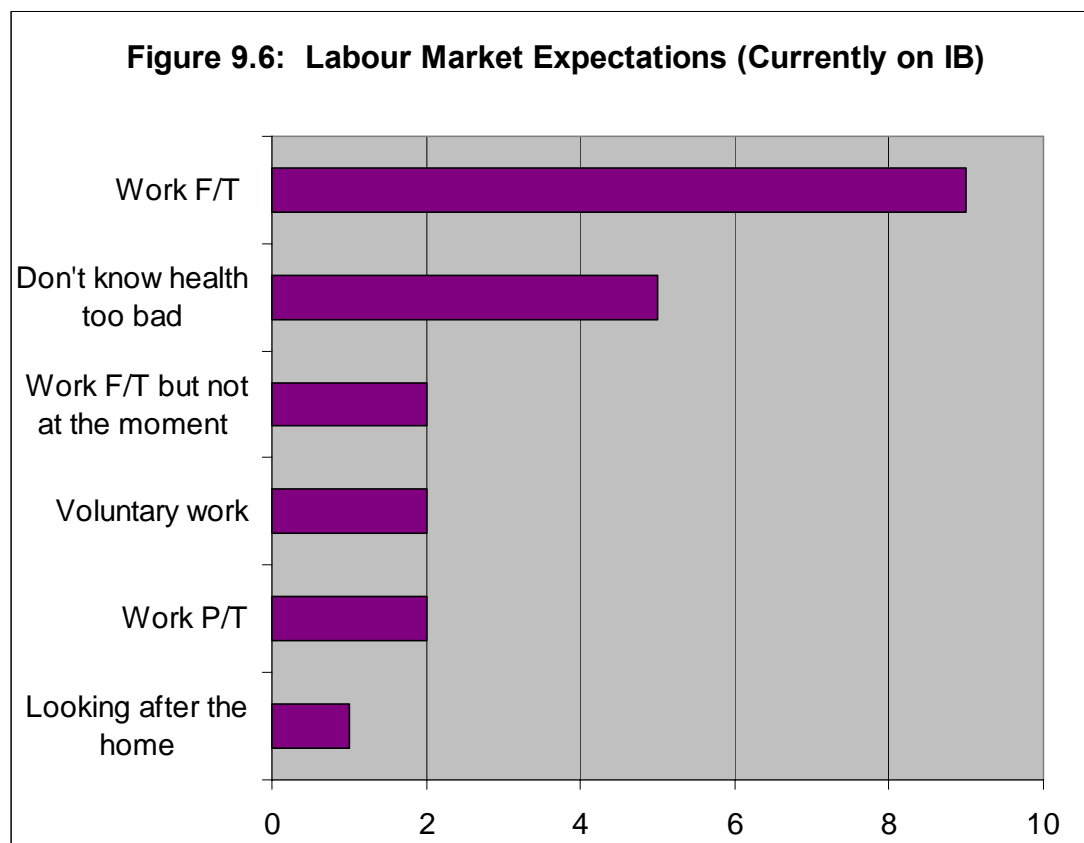
9.35 In Figure 9.5 we can see the labour market status of our consultees at the time of the interview. As we can see the majority some 60 per cent are still on Incapacity Benefits, with 17 per cent in full-time work, 11 per cent working part-time and 11 per cent on other benefits.



9.36 However it is interesting to note that even though the majority are still on IB a significant proportion of them (43 per cent) are engaged in some form of labour market activity with 4 on permitted work, 2 working voluntarily another 2 actively seeking work and 1 on a WPP work placement. So just over half of our interviewees (54 per cent) are involved in some form of labour market activity. While it is difficult to know one suspects that in the absence of Pathways this proportion would be smaller.

Future labour market aspirations

9.37 During the interview we asked those clients who were still on IB what their aspirations were in terms of future labour market participation. As we can see from Figure 9.6 the majority (52 per cent) stated that they would like to get full-time or part-time work. Five participants did not know if they would be able to work again because their health was too bad and another two would like to work full-time but weren't ready just at the moment. There were two clients who said that they wanted to do voluntary work, however, both of them had retired early on health grounds and were on credits-only IB.



9.38 This evidence suggests that whilst a majority of our interviewees are still on IB at least half of them are hopeful and want to get back to work in the near future.

Key Points Summary

- 9.39 The evidence from our qualitative interviews reinforces the central and crucial role of the Pathways Personal Adviser. Their role was seen as vital by the clients with many of them putting much more emphasis on the positive impact of their Wfl experiences with the PPA than the “Choices” they participated on.
- 9.40 That said the vast majority of our interviewees were positive about their experiences on Pathways. The testimony with regard to CMP from those with mental health problems such as stress, anxiety and depression was highly positive with a number stating that it had made a major difference to their lives. The RTWC was also seen positively as helping with the transition back into work, although it was clear that most if not all of those receiving RTWC would have gone back to work anyway.
- 9.41 The one group which seems to have benefited least from their Pathways interventions is those with musculoskeletal problems for whom at best the Pain Management Programme was seen as helping them to manage their condition better but without the fundamental impact that CMP had on some of those with mental health problems.
- 9.42 Overall the impact has been positive for the majority of participants both in terms of their condition and their work prospects. While the majority were still on IB a significant proportion of them were involved in work related activity and expected to return to work. Of our 35 interviewees there were only 7 or 8 who felt they were not able to go back to work in the short-to-medium term.

10 Fiscal Benefit Assessment

Introduction

- 10.1 The terms of reference for this evaluation require an assessment of the fiscal benefit (or otherwise) of Pathways to Work.
- 10.2 The financial benefits to be considered include (see Adam *et al*, 2008):
- Benefits to the individual from moving off IB and into work i.e. net increase in family disposable income.
 - Benefits to the exchequer from reduced IB and other benefit payments and increased income tax and national insurance receipts.
- 10.3 If the foregoing benefits can be calculated, they can be compared with programme expenditure to provide an estimate of the net fiscal benefit of Pathways.
- 10.4 Ultimately, the net impact of the programme will depend on success in moving people off benefit and into employment, compared to what would otherwise have occurred. The survey data discussed in Section 6 above provide an estimate of the Pathways effect in helping people to move into employment. This provides the starting point in assessing net benefits.
- 10.5 Nonetheless, it is very difficult to estimate the benefits of a programme such as Pathways. At this interim stage, there are inevitably uncertainties around the sustainability and/or duration of the estimated employment effects. More importantly, perhaps, the complexity of the tax and benefits system means that there will be considerable variability in the financial effects of changes in individuals' circumstances due to a transition into employment. In the cost-benefit analysis of the GB pilots (Adam *et al*, 2008) this variability has been addressed by means of a sophisticated micro-simulation modelling approach.
- 10.6 In the context of this interim evaluation, it is not feasible to replicate the GB study. The approach taken to assessing the financial benefits of Pathways has therefore been to adapt the relevant findings from the cost-benefit analysis of the GB pilots reported in Adam *et al* (2008). The results are reported in the next part of this Section. The estimated financial benefits are then compared with expenditure on Pathways as a basis on which to assess the fiscal benefit of the programme.

Financial Benefits

Overview

10.7 This assessment of financial benefits of Pathways commences with an overview on the findings from the GB pilots. This is followed by an appraisal of the transferability of the GB findings to measuring the financial benefits of Pathways in Northern Ireland, as a prelude to presenting the results.

The GB approach

10.8 The approach used to estimate financial benefits from Pathways in the Adam *et al* cost-benefit analysis of the GB pilots was as follows.

10.9 First, the Pathways evaluation dataset (PED) from the quantitative analysis of the impact of Pathways (reported in Bewley *et al*, 2007) was used to estimate statistical models to predict changes in circumstances of IB claimants that can be attributed to participation on Pathways e.g. no longer claiming and in full-time employment (30+ hours per week). In addition to a Pathways effects variable, the statistical models took account of a range of socio-demographic characteristics that are associated with being on IB.

10.10 The PED does not contain sufficient information on the financial circumstances of IB claimants to predict the financial benefits from transitions off benefit and into work due to Pathways. The only available dataset containing all the relevant information is the Family Resources Survey (FRS).

Box 10.A The Family Resources Survey

The FRS is a large-scale continuous household survey which gathers information about the living conditions and resources of households, focusing mainly on income, receipt of social security benefits, housing costs, care/child care costs and savings/assets.

10.11 Hence, the second step in the GB approach was to simulate the financial effects of Pathways-induced changes in the circumstances of IB clients from the FRS, based on the statistical model estimated from the PED and taking account of socio-demographic characteristics such as age. This stage produced estimates of the weekly financial benefits for different types of individuals, which were then averaged out to produce an overall estimate.

10.12 The third stage in the GB approach was to calculate estimates of the financial benefits to individual claimants. Assuming that the Pathways impact lasts 70 weeks, the main results were as follows:

- Individual benefit of £526 per IB enquiry.
- Exchequer benefit of £515 per IB enquiry.
- Total financial benefit of £1,041 per IB enquiry.

10.13 The following should be noted regarding the above estimates:

- There is uncertainty concerning how long the Pathways impact lasts, on average. The 70 week impact duration is characterised as a 'pessimistic' baseline scenario in Adam et al. A more 'optimistic' baseline scenario of 150 weeks results in a proportionate increase in the total benefit, to £2,023⁴⁰.
- The impact estimates are presented per 'IB enquiry'. But in the GB pilots, only 78 per cent of those making an enquiry went on to claim IB.

Transferability

10.14 The micro-simulation approach used for the GB cost-benefit analysis is a substantial exercise in its own right. Further, for the GB study, it was necessary to pool FRS data over a 10-year period. Though the FRS has been undertaken in Northern Ireland each year since 2002-03, sample sizes may preclude a similar approach at this time, though the possibility of undertaking a similar exercise is worth investigating.

10.15 The key issue, therefore, is whether it is reasonable to use the GB impact estimates per claim as a basis for calculating financial benefits of Pathways in Northern Ireland for comparison with programme expenditure data? Our view is that this can be done, for three reasons:

- The tax-benefit system applies across the UK. Under the parity principle, the same rules and benefit levels apply in Northern Ireland as in the rest of the UK.
- Based on the survey findings reported in Section 6 above, the magnitude of the Pathways employment effect in Northern Ireland is comparable to the GB estimate.

⁴⁰ The 150-week impact estimate is slightly less than double the 70-week estimate. This is because the benefit flows are discounted at 3.5 per cent. The discounting makes relatively little difference due to the shortness of the time horizon.

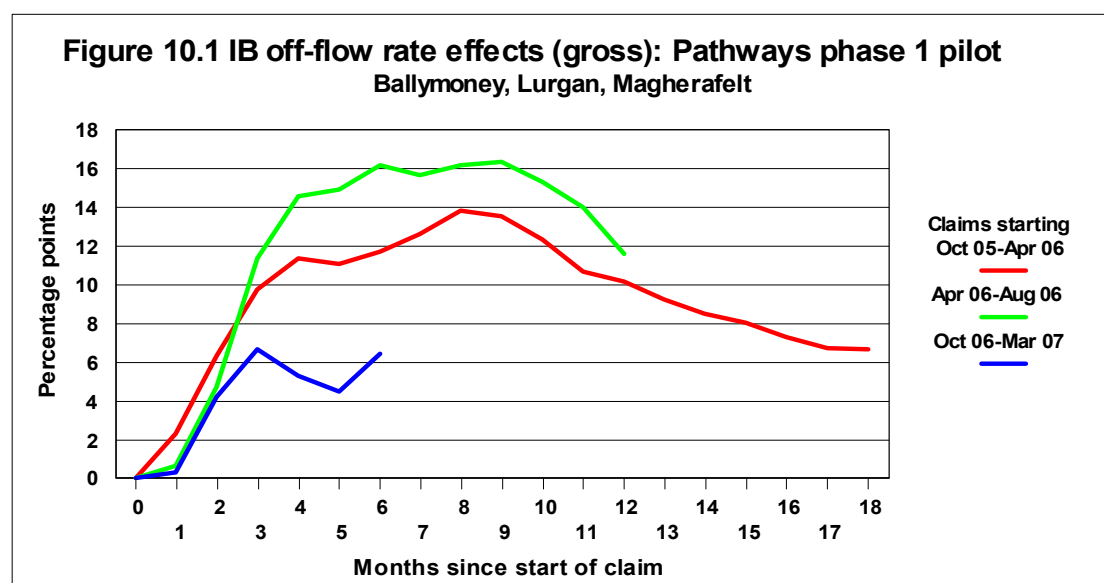
- The survey findings in relation to the pattern of transitions from IB in Northern Ireland are similar to what was found in GB.

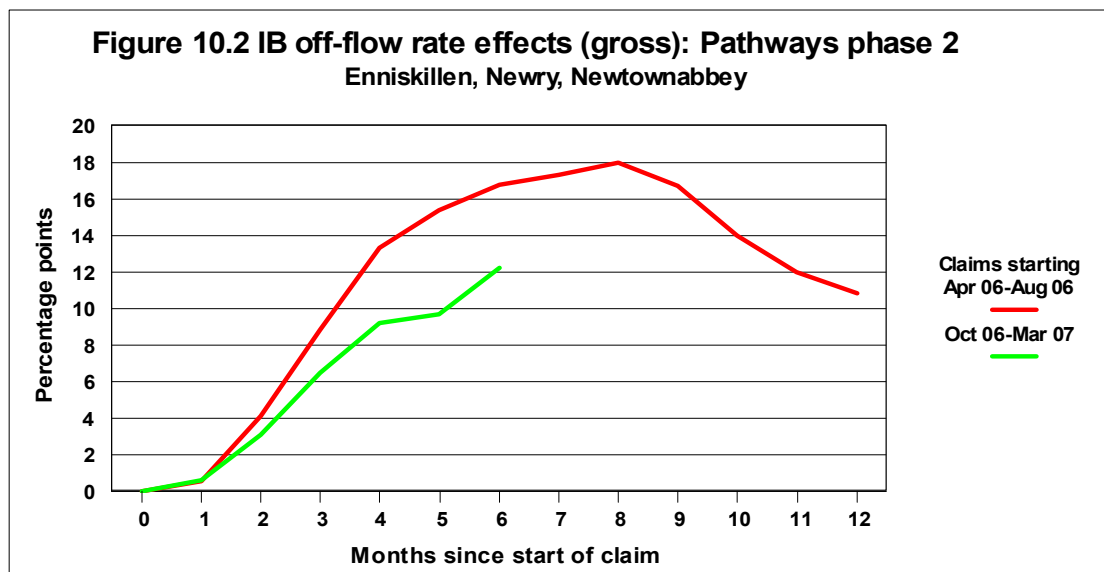
10.16 Based on the survey evidence from the Bewley *et al* impact assessment, Adam *et al* contend that “the main effect of Pathways is not to move people off IB who would otherwise have stayed on it, but to move people who would otherwise have left IB in any case into employment or being economically inactive” (page 66).

10.17 A similar conclusion can be drawn from the survey results reported in Section 6 of this report. A positive employment effect of 6-7 pps was identified, but the Pathways flow participants were found to be as likely as their comparators to still be in receipt of IB or IS with a disability premium.

10.18 This conclusion would appear to be contrary to the finding, reported in the analysis of benefit off-flows in Section 5 above, of a Pathways effect of +8 percentage points on the 18-month off-flow rate for IB claimants in the phase 1 pilot area who started their claim between October 2005 and October 2006.

10.19 However, as noted in Section 5 above, it is not possible to draw a definitive conclusion as to whether the 18 month effect observed for the early stages in the phase 1 pilot can be generalised as a sustainable impact of the Pathways programme that will be replicated in other areas. In particular, the six-month effect in the phase 1 pilot for claims starting between October 2006 and March 2007 was only half as large as the comparable effect for claims starting in the first few months of the phase 1 pilot (Figure 10.1). Similarly, there was a reduction in the gross effect after six months in the phase 2 area (Figure 10.2).





NI Estimates

10.20 The NI estimates for Pathways financial benefits based on extrapolation from the GB estimates are presented in Table 10.1. As for the GB study, a range of estimates has been prepared, to reflect the spread between an 'optimistic' and a 'pessimistic' view of the weeks of impact.

Table 10.1 Estimated benefits of Pathways: Phases 1-4

	Weeks of impact	
	70	150
Effects per claim¹		
Individual	£526	£935
Exchequer	£515	£1,127
Total	£1,041	£2,062
Grossed-up Estimates		
	<i>£'000s</i>	<i>£'000s</i>
Flows to April 2007		
Individual	4,116	7,317
Exchequer	4,030	8,820
Total	8,147	16,137
Flows to September 2007		
Individual	5,819	10,344
Exchequer	5,697	12,468
Total	11,517	22,812

¹ Source: Adam et al, 2008, page 50.

- 10.21 In other respects, the estimates have been prepared on a conservative and cautious basis, as follows.
- 10.22 First, the grossed-up estimates are based on IB flows (see Section 4 above). This is because the survey results in Section 6 above provide a solid basis for asserting an employment impact on the flows. The impact on stocks is less certain. In particular, the employment impacts for the stocks were much higher for the voluntary than the mandatory participants (see Section 7 above), indicating a degree of self-selection of those closest to the labour market into that Pathways stream.
- 10.23 If those stocks that participated in Pathways to the extent of attending 1+ Wfl were included in the grossing-up, this would increase the estimated financial benefits by *11 per cent to April 2007* and *8 per cent to September 2007*.
- 10.24 Second, the average effects in Table 10.1 are treated on a per claim basis rather than on a per enquiry basis as in Adam *et al.* This is because, in the first instance, the GB estimates are on a claimant basis in the micro-simulation model (the FRS does not have any information on benefit enquiries). Further, information on IB enquiries linked to Wfls was not available for NI. While the conversion from claims to enquiries in the Adam *et al* study is not explicit, if the ratio of enquiries to claims was the same in NI as in GB (22 per cent), this might increase the benefit estimate in Table 10.1 by *28 per cent*.

Expenditure

- 10.25 The expenditure data supplied by DEL are reproduced in Table 10.2, on a financial year basis. Annual expenditure can be seen to increase from one year to the next, for two reasons. First, Pathways was extended in successive phases (see Section 3 above).

Table 10.2 Expenditure on Pathways

	2005/06	2006/07	2007/08	Total
	£'000s	£'000s	£'000s	£'000s
Administration	312	1,063	1,939	3,313
CMP	0	611	2,620	3,232
WPP	3	61	166	231
RTWC	6	289	1,019	1,315
Other	65	126	200	391
Total	386	2,150	5,945	8,481

Source: DEL

- 10.26 Second, the increase in the take-up of the components of Pathways i.e. CMP, WPP and the RTWC. Take-up will have increased in tandem with the roll-out of the programme. But also, due to time lags between starting a benefit claim and programme enrolment, there will also have been a build-up of clients on the different components in later rather than earlier periods. For example, the number of referrals to CMP was zero in 2005-06, 236 in 2006-07 and 914 in 2007-08. Similarly, for WPP, take-up rose from 5 in 2005-06 to 66 in 2006-07 and 122 in 2007-08.
- 10.27 Furthermore, as the flow data for grossing up financial benefits are up to September 2007, the estimated total benefits in Table 10.1 are not strictly comparable with the expenditure estimates in Table 10.2.
- 10.28 However, it is not implausible to use the flows through to September 2007 as a basis for comparison with the expenditure data. The Bewley *et al* impact assessment for GB was based on a longitudinal cohort study design⁴¹ and they intimated that Pathways employment effects commence at around three months after the claim starts (Adam *et al*, page 68). That is, using September 2007 for grossing up purposes leaves six months for impacts to materialise. In that regard, an April 2007 grossing-up base provides a more conservative approach.
- 10.29 It would therefore appear reasonable to conclude that the programme is generating benefits that are in excess of expenditure. In particular, the total expenditure through to April 2008 is given in Table 10.1 as £8.5m. In Table 10.1, the financial benefits estimates are in a range from £8.1m (based on 70 weeks impact and grossing up with flows through to April 2007) to £23m (based on 150 weeks of impact and grossing up with flows through to September 2007).

Key Points Summary

- 10.30 This Section has provided an assessment of the fiscal benefit of the Pathways programme.
- 10.31 A range of estimates has been presented, to reflect the interim nature of this evaluation and the uncertainties that are inherent at this interim stage. The range of fiscal benefit estimates has been prepared on a conservative basis to facilitate an assessment of the likelihood that Pathways is generating a level of benefits that exceeds the programme costs.

⁴¹ That is, persons making IB enquiries within a specified time period (the cohort) were asked about their employment status shortly after making that enquiry and on two subsequent occasions (the longitudinal element).

10.32 The approach taken to assessing the financial benefits of Pathways has been to adapt the relevant findings from the cost-benefit analysis of the GB pilots reported in Adam *et al* (2008). The estimated financial benefits are then compared with expenditure on Pathways as a basis on which to assess the fiscal benefit of the programme. The relevant uncertainties include:

- The transferability of the GB estimates of benefits per claim. This element of uncertainty is mitigated by the similarity between the GB and NI estimates of the magnitude of the Pathways employment effect.
- The duration of impact. This is addressed by grossing-up the per claimant estimates on an 'optimistic' 150-week basis and a more 'pessimistic' 150-week basis.
- The timing of the impact. This is addressed by grossing-up on the basis of flows through to April 2007 and to September 2007. The latter base provides a larger estimate.

10.33 To reflect the inherent uncertainties, a range of estimates have been prepared. The main findings are as follows. Grossing up from IB flows through to September 2007, the estimated financial benefits range from £11.5m when the Pathways impact is assumed to last for 70 weeks to £23m under a more optimistic 150-week scenario. For flows through to April 2007 only, the estimated financial benefits are in the range £8.1m to £16m.

10.34 The estimated financial benefits can be compared with programme expenditure of £8.5m for the financial years 2005-06 to 2007-08. Total expenditure therefore lies towards the bottom end of the range of financial benefit estimates.

10.35 It is therefore reasonable to conclude that, on balance, the benefits from Pathways are on track to exceed programme costs.

11 Conclusions

Introduction

11.1 The primary aims of this interim evaluation are as follows:

- To examine the outcomes from the Pathways to Work programme.
- To assess how well the programme is meeting (or not meeting) its stated aims of putting into place a comprehensive package of support measures to help sick and disabled clients consider work where this is possible.

11.2 This Section presents the conclusions from the evaluation in relation to the primary aims. The main headings under which the conclusions are presented reflect the specific objectives of the evaluation, as follows:

- Effectiveness.
- Experiences of clients.
- Pathways Personal Advisers.
- Partnership arrangements.
- Fiscal benefits.
- Equality of opportunity.
- Good practice.

Effectiveness

Examine the effectiveness of the component parts, and combinations of component parts, of Pathways to Work in moving client groups through and out of incapacity benefits and particularly into work. This should incorporate a comparison of pilot versus non-pilot areas and the pre/post Pathways position in pilot offices.

11.3 The overall effectiveness of Pathways was assessed in two ways:

- Statistical analysis of flows off IB based on administrative data.

- A survey of participants on Pathways, including both Pathways stocks and flows and a comparator sample of non-participating IB flows.
- 11.4 The following are the main conclusions from the analysis of **off-flow rates**.
- 11.5 In the Pathways phase 1 area it was possible to calculate 18 month off-flow rates for claims that commenced in the six months immediately following the pilot rollout (October 2005 to end-February 2006). The estimated Pathways effect was +8 percentage points i.e. after 18 months, the proportion of claimants who had left IB following the launch of Pathways was 8 percentage points higher compared to what would have been expected in the absence of Pathways.
- 11.6 The finding for the 18-month off-flow rate reflects positively on the effectiveness of Pathways to date. However, at this interim stage, it has only been possible to observe the 18-month effect for the first six months in the first pilot. It is not possible therefore to draw a definitive conclusion as to whether the 18 month effect observed for the phase 1 pilot can be generalised as a sustainable impact of the Pathways programme that will be replicated in other areas.
- 11.7 When analysed on a monthly basis, the Pathways effect on IB exits exhibits an inverted-U shaped pattern. In the 18-month off-flow rate analysis, the effect peaked at eight months after the claim started before converging back towards the pre-Pathways position. Similar patterns were found for later periods in the first phase pilot area and also in the phase 2 and 3 Pathways areas. It is, therefore, possible to conclude from the available evidence that one of the additional benefits of introducing Pathways is to at least bring forward exits from IB that would have occurred anyway, but at some later date. This is the Pathways timing effect, that is, stimulating IB off-flows earlier than would otherwise be the case.
- 11.8 The timing effect of Pathways would appear to vary by geographical area, being weaker in the phase 3 area (Falls, Shankill, Foyle and Lisnagelvin) than in the earlier phase 1 and 2 areas. Furthermore, the analysis of off-flow rates in the phase 1 pilot area suggested that the effect may diminish over time, being largest in the months immediately after the introduction of Pathways. There is, therefore, some uncertainty about the magnitude of the timing effect.
- 11.9 Regarding **participants' outcomes**, the main conclusions to be drawn are as follows (Section 6).
- 11.10 Pathways was found to increase the probability of being in work or having a job lined up by seven percentage points. The estimated employment effect for Northern Ireland is almost identical to the finding for the Great Britain pilot reported in Bewley *et al* (2007).

- 11.11 Pathways employment effects take time to materialise. At the time of the survey of participants (March 2008), positive employment effects for the Pathways flow participants were largely concentrated amongst those whose IB claim had started between October 2005 and October 2006.
- 11.12 No significant effects from Pathways were found in relation to average earnings, job search, receipt of benefit and health outcomes. While Pathways participants were more likely to be in work, Pathways participants not in employment were less likely than the comparator non-participant group to be searching for a job. This would suggest that the main effect of Pathways to date has been to encourage a faster movement into work among those who are ready to make the transition. While equally likely to be in receipt of benefit, the comparators were found to be less likely to move into work as quickly as Pathways participants.
- 11.13 Regarding the **component parts** of the programme, the following are the main conclusions.
- 11.14 One of the new elements of provision in Pathways is the availability of up to five **follow-up Wfls** to help the client in preparing for a transition to employment. Participation in follow-up Wfls can be on a mandatory or voluntary basis.
- 11.15 Considering those flow clients who had been screened in at their initial Wfl, and hence whose participation in follow-up Wfls was mandatory, the survey results showed a higher employment rate among those who had participated in 1+ follow-up Wfls compared to those with one Wfl only. Partly, this would appear to reflect the fact that the latter group also had the highest share of the more recent IB claims, made post-April 2007. Nonetheless, the difference would suggest that the follow-up Wfl process is pointed in the right direction in terms of helping those who are furthest from the labour market.
- 11.16 Those IB flows who were screened out have, on average, achieved the more favourable outcomes to date. Again, those who were screened out and participated in 1+ follow-up Wfls tended to achieve more favourable outcomes than those who attended one Wfl only. However, this may well reflect closeness to the labour market and/or self-selection of more motivated clients as much as an effect from the pattern of participation in Pathways.
- 11.17 Regarding clients with pre-existing claims (stocks), the mandatory clients tended to report less favourable outcomes than those participating on a voluntary basis. This finding points to an element of self-selection by the more motivated claimants into the programme.

- 11.18 Overall, positive outcomes have, to date, been slowest to materialise for clients whose participation in the full Wfl process has been mandatory i.e. the screened-in flows and the mandatory stocks. But these clients are in that position precisely because of their 'distance' from the labour market.
- 11.19 Take-up of **choices** is voluntary in Pathways. Both for the stocks and the flows, those who took up one or other of the choices available to Pathways participants tended to report more favourable outcomes than those who did not. However, there were large disparities in outcomes within the sub-set of participants who took up one or more choices.
- 11.20 The majority of those receiving RTWC said they would have been in the same job anyway. Considered as an incentive for getting people into work, the survey findings point to a low level of additionality in the RTWC. There is, therefore, a need to consider the role and position of the RTWC in the Pathways initiative. The report returns to this issue in making recommendations for the programme, in Section 12 below.
- 11.21 Those who reported having taken up the CMP were less likely to be in employment as compared with those taking up the WPP and, especially, the RTWC. These differences are not unexpected since the RTWC is an incentive paid to those entering employment and the CMP is specifically focused on the Pathways client group that is furthest from the labour market due to their health condition.
- 11.22 Based on respondents' perceived efficacy of different choices within Pathways, those who took up the CMP were the most likely to ascribe positive outcomes entirely or partly to the programme. This would suggest that there is a higher level of additionality associated with the CMP by comparison with the WPP, RTWC and other help.
- 11.23 The survey results do, however, provide evidence of a more intensive level of contact and engagement with clients in Pathways. There is also evidence of a Pathways effect in encouraging people into work. Pathways participants were significantly more likely than their comparators to mention having received help or advice before starting their main job (finding a vacancy, completing an application, etc).
- 11.24 Bearing in mind that this is an interim evaluation, the effectiveness findings reported above can provide some insights into the additionality of the Pathways programme. Considered from the perspective of participating clients, the overall net additional impact of Pathways has been positive, as evidenced by the finding that Pathways flow participants were more likely to be in employment than their comparators, by a margin of seven percentage points⁴².

⁴² See Greenberg and Knight (2007) for a discussion of net additional impacts in the context of active labour market programmes such as Pathways.

- 11.25 While the overall net impact has been positive, it would appear that there is a substantial element of deadweight⁴³ in the take-up of the RTWC component of the programme.
- 11.26 The wider effects of the programme on net additionality depend on the extent to which substitution and/or displacement effects occur. Substitution effects are present if Pathways participants gain jobs that would otherwise have been obtained by non-participants and these non-participants become unemployed or suffer a reduction in earnings. Substitution effects are difficult to measure, particularly at this interim stage. However, it can be noted that in recent years unemployment rates have been relatively low in Northern Ireland⁴⁴. Furthermore, the Pathways net employment impact has been modest. Both of these factors would suggest that Pathways is unlikely to have had a significant substitution effect.
- 11.27 Displacement effects occur where programmes provide an employment subsidy and firms benefiting from the subsidy are able to expand at the expense of competitor firms. As Pathways does not subsidise employment, displacement does not affect the overall additionality of the programme.

Experiences of Clients

Examine the experiences of clients in Pathways to Work areas especially the benefits of (and uptake of all 6) work focused interviews and the extent to which clients avail themselves of the assistance that is offered to them.

- 11.28 **Follow-up Wfls.** In the period from commencement through to end-September, one in four new/repeat IB claimants participated in one or more follow-up Wfls. The mandatory element was the key driver in stimulating participation in follow-up Wfls. Mandated clients, measured by those who were screened in at their initial Pathways interview, accounted for 78 per cent of flows attending 1+ follow-up Wfl.
- 11.29 There was also a substantial level of voluntary participation. One in four of those who attended an initial interview and were screened out went on to attend 1+ follow-up Wfls, indicating an appetite also for voluntary participation to avail of the Pathways offering.

⁴³ That is, entry into employment by participants would have occurred anyway.

⁴⁴ The average Northern Ireland unemployment rate in 2007 was four per cent (Source: DETI).

- 11.30 Participation was much lower among the stocks. One in eight mandatory stock claims participated in 1+ follow-up Wfls. In other Pathways areas, when measured relative to the total number of IB stock claims, the participation rate was less than one per cent.
- 11.31 To date, only a minority of clients have attended the full set of five follow-up Wfls. Amongst the flows, of those who attended 1+ Wfl, fewer than one in eight had attended three or more Wfls by end-September 2007.
- 11.32 **Screening.** The use of a tool for screening clients on an 'in' or 'out' basis runs two risks i.e. 'false positives' where a client who needs help is screened out and 'false negatives' where a client who would exit IB anyway is screened in. As it transpired, the screening tool was an imperfect predictor of the likelihood of an IB exit. Nonetheless, the screening tool does provide an indication of proximity to the labour market. This is evident from the variations in outcomes between those who were screened in and those who were screened out.
- 11.33 Albeit an imperfect predictor, the screening tool nonetheless served to give explicit recognition to the fact that IB clients will inevitably reflect a 'spectrum' in terms of closeness to the labour market and capacity to make a transition to work. To that extent, it would seem useful to retain such an approach to provide at least an approximate indication of clients' initial or starting positions in assessing what needs to be done to encourage a transition to work, where this is possible.
- 11.34 Amongst the new/repeat IB flows with whom contact was made (1+ Wfl arranged), almost one in five had taken up one or more of the Pathways choices by end-September 2007. In general terms, the RTWC was most likely to be taken up by those whose participation in the follow-up Wfl process was voluntary i.e. the screened out. As the screened out are also those closest to the labour market, the survey findings that the RTWC yields relatively low additionality as an incentive into work would suggest that there needs to be better targeting of take-up of this option.
- 11.35 By contrast, take-up of CMP was highest among those for whom the follow-up Wfl process was mandatory. New/repeat IB flows who were screened in accounted for 65 per cent of all new/repeat IB flows taking up CMP through September 2007. The picture was similar amongst the stocks.
- 11.36 The quantitative evidence on the benefits of the Pathways process for clients has been discussed above in relation to outcomes. The qualitative evidence with regard to client experiences was largely positive although in a survey of this type there is a degree of self-selection and it may be that those who were best disposed towards the programme were more likely to participate.

- 11.37 The vast majority of our interviewees were positive about their experiences on Pathways. The testimony with regard to CMP from those with mental health problems such as stress, anxiety and depression was highly positive with a number stating that it had made a major difference to their lives. The RTWC was also seen positively as helping with the transition back into work, although it was clear that most if not all of those receiving RTWC would have gone back to work anyway.
- 11.38 The one group which seems to have benefited least from their Pathways interventions is those with musculoskeletal problems where at best the pain management programme was seen as helping them to manage their condition better but without the fundamental impact that CMP had on some of those with mental health problems.
- 11.39 Overall the impact has been positive for the majority of participants interviewed both in terms of their condition and their work prospects. While the majority were still on IB a significant proportion of them were involved in work-related activity and expected to return to work. Of our 35 interviewees there were only 7 or 8 who felt they were not able to go back to work in the short-to-medium term.
- 11.40 The evidence from our qualitative interviews reinforced the central and crucial role of the Pathways Personal Adviser. Their role was seen as vital by the clients with many of them putting much more emphasis on the positive impact of their Wfl experiences with the PPA than the “Choices” they participated on. In the following paragraphs we look at the views of the PPAs on their role.

Personal Advisers

Assess the effectiveness of the Personal Adviser intervention, including arrangements for their preparation, training, ongoing development and support

- 11.41 The evidence from our qualitative interviews with clients and also from our client survey indicates the pivotal role of the PPAs. In the qualitative interviews, in particular, the clients felt that the PPA was the most important element within the Pathways programme and were very positive about the assistance and advice they offered to them. It was also our opinion from the PPA focus groups that this is a highly motivated group who are trying to make a genuine difference to their clients.

- 11.42 The main issue for PPAs in terms of training was the absence in their opinion of training on the information management systems and general administration of the programme. Discussions with the PPAs would suggest that there are two elements to this problem. The first was the basic absence of the training. The second, and more fundamental, is their view that the information systems are simply not designed for the work that they do and as such the process is largely ad-hoc and hindered rather than helped by the IT systems in place.
- 11.43 A number of PPAs also felt that it would be useful if they had more training on “decision making” along the lines of the training that SSA staff receive. A number of PPAs who were ex-SSA said that they found their previous training very useful when dealing with issues around the use of sanctions.
- 11.44 The provision and updating of the programme guidance was also an issue for PPAs in terms of efficiency. They felt that the current guidance was difficult to navigate and was frequently unable to answer many of the queries they had. There was also a sense that even when they did receive a response to a query that this was not captured in the guidelines and the next person who came across the same problem would also have to go looking for their own response to the query. This often led to different and conflicting responses to the same query depending on who gave the guidance. There is clearly a need to collect and codify these responses as the queries arise. This is likely to be most easily achieved if an individual within DEL is designated as the first point of contact for all queries.
- 11.45 There were also issues in some offices with regard to the decision making autonomy of the PPA in terms of which elements of choices they could use for whom and when. Team leaders were interpreting the guidance differently in different offices leading to some frustration as PPAs are aware of the practices in other offices from their regular meetings. More fundamentally, the PPAs felt that it was very difficult if not impossible for Team Leaders to make decisions about individual cases because only PPAs had the in-depth knowledge of the client and their situation.
- 11.46 In relation to the “Choices” menu there were some localised problems with CMP with the PPAs feeling that some of the occupational therapists were highly selective in whom they chose to work with. To support this they gave evidence with regard to the number of referrals they had made and the very low proportion that were accepted onto CMP.

- 11.47 There were more fundamental problems with WPP, with PPAs in some areas feeling that the provision was simply not good enough. In particular they felt that providers had not developed extensive enough networks with local employers and consequently they had only a very limited offering. There also seemed to be simply a lack of contact with WPP providers in some offices. There were exceptions to this and where they existed it was put down to the fact that they did have the local employer networks.
- 11.48 In terms of the Pathways provision, there were a number of issues raised by PPAs. The first and most glaring is the lack of a training option on a programme which is dealing with people who may not be able to continue in their previous employment and therefore have a clear need for retraining.
- 11.49 The other area where PPAs felt there was an urgent need for some form of intervention was with regard to alcoholism and drug usage. It is worth noting that in our sample of 35 clients for the qualitative interviews six had problems with alcoholism.
- 11.50 One final issue in terms of provision which particularly applies to clients with mental health problems is the need for some form of referral system when clients present with what the PPAs perceive as severe mental health problems. This is particularly acute where the problems relate to self-harm and at the most extreme threats of suicide.

Partnership Arrangements

Assess how the partnership arrangements, both internal and external are working on the ground and how they are established, maintained and supported by HQ branches.

Internal Partnerships

- 11.51 The internal partnership arrangements have on the whole been working very well. The PPAs and other DEL staff were generally very positive about the support and guidance they received from their SSA colleagues, although there were some clashes in terms of what was perceived as the different organisational cultures.
- 11.52 The PPAs were also very positive about the networking opportunities provided to them in terms of meeting up with their colleagues from other offices and they felt that these meetings and the “buddy” system that was introduced had gone a long way in dealing with some of the frustrations in new pilot offices. Being able to talk to someone in one of the earlier pilot offices who had been through this process was seen as very beneficial.

11.53 The one frustration in terms of the role of HQ branches has already been touched on in the previous section and that was the failure to provide a co-ordinated response to queries arising. The PPAs were able to give a number of incidences of conflicting advice from different HQ branches and clearly systems need to be put in place to ensure that this process is co-ordinated and decisions communicated to all.

External partnerships

11.54 In relation to the “Choices” provision these generally worked well, particularly with CMP when there was regular contact between the PPAs and the occupational therapist (OT). It was felt essential that the OT should call into the JBO at least twice a week and the ideal scenario was where some of their work was carried out in the JBO.

11.55 The situation with WPP providers, while generally less positive, was exactly the same with those providers who visited the JBO regularly and met clients in the JBO being viewed much more positively than those that operated at an arms length.

11.56 The biggest issue going forward in terms of partnerships is to broaden them outside of providers. In particular, there is a need to build much better partnership arrangements with employers. There are also other opportunities to be explored in working with voluntary organisations which may have considerable experience in dealing with some of the issues that clients on Pathways face.

Fiscal Benefit

Assess the fiscal benefit (or otherwise) of Pathways to Work.

11.57 The financial benefits considered in Section 10 of the report include (see Adam *et al*, 2008):

- Benefits to the individual from moving off IB and into work i.e. net increase in family disposable income. Ultimately, this depends on the effectiveness of the programme in enabling people to move into employment, compared to what would otherwise be the case.
- Benefits to the exchequer from reduced IB and other benefit payments and increased income tax and national insurance receipts.

11.58 The approach taken to assessing the financial benefits of Pathways has been to adapt the relevant findings from the cost-benefit analysis of the GB pilots reported in Adam *et al* (2008). The estimated financial benefits are then compared with expenditure on Pathways as a basis on which to assess the fiscal benefit of the programme.

11.59 To reflect the inherent uncertainties, a range of estimates have been prepared, on a conservative basis. As total expenditure lies towards the bottom end of the range of financial benefit estimates, it is reasonable to conclude that the programme has, to date, generated benefits that are in excess of expenditure.

11.60 This conclusion should be viewed as an indicative, rather than definitive, assessment, due to the uncertainties that are inherently involved in estimating financial benefits.

Equality of Opportunity

Assess the programme in terms of equality of opportunity and good relations, and seek to identify any adverse effects.

11.61 Equality of opportunity impacts can be assessed from the findings in relation to:

- The profile of Pathways effects in relation to programme outcomes, by age, gender, marital status, disability, dependents and religion (Section 6). These are the section 75 categories for which data are available.
- The profile of outcomes for the section 75 groups for which data are available by patterns of participation and choices (Sections 4 and 7).

11.62 No adverse effects were found in relation to the categories of gender, marital status, dependents and religion. Significant differences in outcomes were found by age and health/disability. These differences are likely to reflect the barriers that people with disabilities and those aged over 50 face in making a transition from being on benefits to being off work.

11.63 As Pathways is specifically focused on helping people overcome the barriers posed by health and disability, it can be viewed as making a positive contribution to equality of opportunity.

- 11.64 As the employment effect from Pathways was weakest, and significantly so, for those aged 50 and over, it would appear that this group may need more focused assistance than is presently the case.
- 11.65 Regarding take-up and participation, participants reporting a health problem that limits their daily activities a great deal were found to be under-represented among those taking up the WPP, the RTWC and Jobcentre services⁴⁵. Their participation in CMP was on a par with the Pathways average.
- 11.66 Participation in the nearer-to-market WPP and RTWC can be viewed as reflective of the constraining effect of health conditions and disabilities. However, it would appear that there is room for improvement in facilitating access to, and participation in other activities such as CMP and Jobcentre services.
- 11.67 Regarding the good relations issue, the following points can be noted. First, there were no significant differences by religion in participation, take-up or outcomes. Second, there is a strong social inclusion component in the rationale for Pathways. This was recognised by rolling the programme out to the most deprived areas in Northern Ireland at an early stage in the initiative. Given the geographical pattern of deprivation, this meant that the first three Pathways phases inevitably had a higher Catholic share by comparison with the NI average. This was warranted in terms of enhancing the anti-poverty thrust of the Pathways initiative. However, the programme has now been rolled out across Northern Ireland.
- 11.68 For both of the above reasons, it can be concluded that Pathways has not had adverse impacts on good relations. It can also be noted that good relations was not raised as an issue in any of the consultations undertaken for this evaluation.

Best Practice

Identify examples of best practice.

- 11.69 Insofar as best practice is about achieving positive outcomes for clients, it is useful to consider the performance of the programme in a comparative perspective, benchmarking against the reported out-turns to date in GB.

⁴⁵ In the present context, this refers to use of job search resources i.e. internet, directories, phones.

11.70 On the outcome side, Pathways has performed at least as well in Northern Ireland as in GB, in the following respects:

- Stimulating off-flows from benefit. The main GB studies did not find a statistically significant effect of Pathways on the 18-month off-flow rate. Rather, they point to a timing effect whereby Pathways encourages earlier exits from IB than would otherwise occur. Northern Ireland has performed at least as well as GB on that front. Indeed, there is evidence to suggest that Northern Ireland has been more successful in stimulating off-flows from IB.
- Moves into employment. The estimated employment effect for Northern Ireland is almost identical to the finding for the Great Britain pilot reported in Bewley *et al* (2007).

11.71 Northern Ireland has also performed at least as well as GB in relation to participation and take-up of choices:

- One in four new/repeat IB claims have participated in 1+ follow-up Wfls, the same as in GB (see Adam *et al*, 2008).
- After controlling for the screening outcome, those who attended follow-up Wfls were more likely to have been in work or with a job lined up. While not directly comparable, the Baily *et al* study of customers in GB found that those attending multiple Wfls were less likely to be in work.
- Choices. The evidence from this evaluation indicates that those taking up CMP have achieved better outcomes by comparison with GB. In particular, 28 per cent of Pathways flow participants surveyed in Northern Ireland said they were in work or had a job lined up. The Baily *et al* study of customers in GB found that less than one in five of those taking up the CMP were in work.

11.72 In terms of the implementation of the Pathways Pilots the most successful initiative was the use of a “buddying” system between PPAs in offices that had already implemented Pathways and those that were in the process of rolling it out. This initiative was highly praised by the PPAs and is something that DEL should look to utilise in the roll-out of any new programmes in the future.

11.73 The use of pre-WFI phonecalls by PPAs to inform clients of what Pathways has to offer and to allay any fear they may have in relation to a threat to their benefits or their ability to participate on the programme was an obvious example of best-practice and one which was welcomed by clients and PPAs alike.

11.74 Another element of best practice in the roll-out of Pathways relates to the relationships with “Choices” providers. It is clear that where there is frequent contact between the providers and the PPAs the relationships are better and more importantly the programme itself seems to work much better due to the interchange of information between provider and PPA. In the future an element of the contract for “Choices” provider should include a minimum amount of time spent meeting with PPAs and preferably running “clinics” with clients where possible in JBO offices although clearly there may be space restrictions in some locations.

12 Recommendations

Introduction

12.1 This Section presents the recommendations for improvements/changes to the operation of the Pathways initiative. The recommendations are presented under the following headings:

- Effectiveness.
- Experiences of clients.
- Pathways Personal Advisers.
- Partnership arrangements.
- Equality of opportunity.
- Good practice.

Effectiveness

12.2 The focus of the Pathways programme is on those with mild-to-moderate conditions who are capable of entering or re-entering the labour market in the near to medium-term. The rationale is to mitigate the risk that increasing duration on incapacity benefit may erode the capacity to enter employment. As duration increases, claimants may become discouraged, or their skills may depreciate, or work habits may suffer through lack of practice. That is, the longer a person remains out of work, the more difficult it can be for that person to find a way back into employment without the aid of an intervention such as Pathways.

12.3 Within that context, the programme design correctly recognises that clients span a wide spectrum in terms of closeness to the labour market and their levels of preparedness and/or suitability for a (faster) return to work. The programme design reflects this employability spectrum in two key respects:

- Flexibility.
- Mixture of provision.

- 12.4 The flexibility in the programme resides in the application of the conditionality principle: participation is mandatory for some, but not for others. Reflecting the focus of the programme, those with the most severe conditions are exempted or their participation may be waived. At the other end of the employability spectrum, there is the screening out of those who are considered to be 'near-to-market', in the sense that they are likely to exit IB without assistance from Pathways. Participation in choices was entirely voluntary.
- 12.5 The flexibility in the programme is complemented by aligning the mixture of provision to the spectrum of employability. This is most apparent in the choices available to Pathways participants:
- CMP is designed to meet the needs of those falling within the scope of Pathways but who are furthest from the labour market.
 - WPP enables participants at an intermediate stage to get a feel for being (back) in work and building confidence.
 - RTWC provides the 'near-market' dimension, being aimed at participants who are ready to return to work.
- 12.6 While the focus of the programme is well-grounded, and the overall programme design is relevant and appropriate, there are still challenges to be addressed in enhancing effectiveness, as follows:
- **Encouraging progression along the choices.** Albeit the Pathways programme is at a relatively early stage, there is as yet no evidence to suggest that progression is 'managed' (paras 7.26-7.28).
 - **Filling gaps.** In the course of the consultations undertaken for this evaluation, the main gap that was identified is for training (paras 8.66-8.69).
 - **Maximising the effectiveness of choices/options.** In particular, there is a need to consider the role and position of the RTWC: considered as an incentive for getting people back to work, the evaluation evidence points to a low level of additionality (paras 6.25-6.27).

12.7 **Recommendation 1: A more proactive approach to managing and promoting progression by clients.** As the available choices are aligned with the anticipated spectrum of clients' proximity to the labour market, the mix of provision provides an opportunity to ensure that clients can be encouraged to progress closer to the labour market through their take-up of choices, *depending on their initial starting-point*. A number of factors will need to be considered in adopting a more proactive approach to managing progression, as follows:

- **Establishing the client's starting position.** The labour market screening tool that was employed in the pilots is a useful, albeit imperfect, predictor of closeness to market in terms of previous experience and qualifications (para 11.33). The client's position from a medical perspective also needs to be considered and this is further addressed below.
- **Action planning.** This does not appear to happen in a systematic fashion at present (para 8.51). In the case of those clients who are starting from a position where they are relatively 'distant' from the labour market, it would seem appropriate that a more progression-focused approach should be adopted.
- **Supply of choices.** As highlighted in the consultations, CMP and WPP are complementary (para 8.78). The Department needs to ensure that these choices are available in all Pathways areas at levels that are consistent with the needs of clients. For that reason, it would be useful for the Department to undertake an exercise to assess the extent of geographical variations in the availability of CMP and WPP and develop an action plan to ensure that any such variations are ironed out.

12.8 **Recommendation 2: Introduce a training option to the Pathways menu of choices.** Given the rationale for Pathways in trying to help people back into work, there will be some who are unable to do the work that they previously did and for whom (re)training may be essential. It is therefore recommended that the Department should introduce an option for training to enhance the extent to which Pathways can deliver a comprehensive package of support.

12.9 In taking forward this recommendation, the Department should aim to tailor the support to the needs of individual clients. For example:

- Where clients' existing qualifications relate to their previous employment and lack relevance to their current labour market prospects, a flexible approach would seem warranted in providing a training option to those who already possess an NVQ Level 2 or equivalent (para 8.67).

- As participation on options is voluntary, consideration should be given to some form of training allowance to be made available to clients to encourage them to take up the options available (para 8.69).

12.10 **Recommendation 3: More targeted use of the RTWC.** The evaluation evidence suggests a high level of deadweight in the use of the RTWC as an incentive for getting people into work i.e. participants entering jobs when this would not otherwise occur. There is therefore a need to ensure a more targeted use of the RTWC option. In that context, it is useful to consider the role and position of the RTWC in the Pathways menu of options for clients.

12.11 In seeking to extract the maximum value-added from expenditure on Pathways, there are three main options for the future use of the RTWC, as follows:

- The 'status quo' or no change option. This is not cost-effective, as the evaluation evidence points to a high level of deadweight in the current pattern of take-up of RTWC.
- Remove the RTWC as an option for Pathways clients. This option has the advantage of directly removing that element of deadweight from the current take-up pattern. We would not, however, consider that this is an appropriate step to take. RTWC provides an important 'near-market' element in Pathways and is therefore necessary in order to provide clients with a comprehensive package of support.
- The third option is to re-orient the RTWC to extract more additionality. This is our preferred option, to retain the 'near-market' element in the package of support.

12.12 The more targeted use of the RTWC support should seek to recognise the three potential sources of additionality or value-added from Pathways:

- Providing a **path to work** where this would not otherwise occur at all.
- Encouraging a **return to work more quickly** than would otherwise occur.
- **Sustaining** the (re-)entry into work.

- 12.13 The RTWC can play a more effective role in the programme in two ways. First, for those who are furthest from the labour market, the RTWC can serve as the 'near-market' component in an approach that aims to enhance or lever progression along the Pathways choices. This emphasises the role that RTWC can play in providing a path-to-work. Ensuring that this role consumes more of the available resource should help in reducing the level of deadweight in the current take-up pattern.
- 12.14 Second, for those who are closer to the labour market (e.g. those who are screened out at the initial Pathways Wfl) it will be necessary to ensure that an award of RTWC is more firmly justified firmly in relation to the objectives of Pathways. This would emphasise the objective of encouraging a faster return to work.
- 12.15 **Recommendation 4: Further research into the impact of the RTWC.** The potential contribution to *sustaining* recipients' return to work has been highlighted by research into the use and experience of the RTWC in the GB Pathways pilots (Corden and Nice, 2006. See para 6.28). As the RTWC accounts for a substantial proportion of programme spend (see Table 10.2), it would be useful to obtain a better understanding of the impact of the RTWC in the NI context. This could be done by examining the experience of a one or more cohorts of RTWC participants, focusing on issues such as what proportion are still in work and recipients' perspectives on the helpfulness or otherwise of RTWC. A further issue to be explored in such research is the number of hours worked by recipients, as the RTWC earnings threshold may serve to encourage part-time working (see paras 6.44 to 6.46. See also Adam *et al*, 2008).
- 12.16 **Recommendation 5: The development of an intervention to assist those clients who are dealing with alcohol and drug abuse problems.** It was felt by the PPAs that for a substantial minority these problems were an additional barrier to employment over and above the condition for which they were currently claiming IB. In many cases it was seen as the key barrier to accessing employment.

Experience of Clients

- 12.17 The qualitative feedback from clients indicated that their experience of the programme has generally been quite positive. There are, however, a number of issues to be addressed in the way forward.

- 12.18 **Recommendation 6. Need to provide a system of medical referral** to enable PPAs to refer clients whose conditions they believe are severe and require medical intervention. This was a major concern for PPAs with some clients presenting with problems, particularly mental health issues, which appeared to the PPA to be more severe than the JB3 or PCA would lead them to expect. At the most extreme a number of clients have in discussions with their PPAs threatened suicide, clearly, in these instances some form of referral is essential. (para 8.98-8.103)
- 12.19 **Recommendation 7: Develop a means to establish clients' degree of closeness to the labour market.** In the Pathways pilots, a screening tool was used to classify clients according to the likelihood of making an exit from IB within 12 months. With the introduction of the Employment Support Allowance (ESA), clients will no longer be screened in or out. Nonetheless, there is a need to develop a means to establish the client's starting position in terms of proximity to the labour market, to help in the identification of routes through Pathways that are most appropriate to the client's needs.
- 12.20 **Recommendation 8: DEL should undertake a detailed review of the CMP to determine ways of improving the effectiveness of the choice.** The evaluation evidence suggests that, in the main, the CMP is providing appropriate and relevant help and assistance to clients. There is, however, room for improvement. In particular, a recurring theme in the consultations and qualitative interviews was that the 12-week maximum is too constraining (paras 8.73, 9.26). A maximum is useful, because otherwise there is an incentive for 'open-ended' use. But need has a distribution – some will need less than 12 weeks, others will need more than that. It was also apparent that there are geographical variations in access to the CMP (para 8.72). Thus, in undertaking a review of CMP, DEL should seek to determine:
- The appropriateness of the 12-week maximum and whether there should be greater flexibility in the duration of assistance offered to clients.
 - The criteria for selection onto the CMP and whether these need to be made more explicit so that there is less variability in take-up.
- 12.21 **Recommendation 9: Improved monitoring of participants' patterns of participation on the Pathways programme.** Ideally, for the purposes of this evaluation, the DEL management information systems (MIS) should have facilitated a classification of clients' WfIs into those associated with IB stocks and flows with a further distinction between voluntary and mandatory. However, this proved more difficult than expected (paras 4.10 to 4.15). The following issues will need to be addressed to improve the availability of data for monitoring and evaluation purposes:

- Refine the coding classification for WfIs, distinguishing at a minimum between stocks and flows and mandatory versus voluntary.
- Ensure that key indicators can be monitored, including the indicators discussed in Section 4 of this report.
- Ensure that PPAs are fully aware of the need for accurate and consistent coding of clients' participation on Pathways.

Personal Advisors

12.22 Our research has clearly demonstrated the central and crucial role that PPAs play in the delivery of the Pathways programme. A central question going forward must therefore be how can they be best supported to enable them to carry out this role. In this context we would make the following recommendations.

12.23 **Recommendation 10: the Department should review the current IT systems and tools being used by PPAs** to ensure that they are appropriate to meet their needs and to provide the management information required to assess the cost and impact of the programme. The present system appears to be sub-optimal in both regards with major issues being raised by PPAs and problems in bringing together management information to give an accurate picture of the impact of the programme. (para 8.24)

12.24 **Recommendation 11: the balance of training between soft client skills and core administrative skills should be rebalanced** to some extent for new PPAs. Whilst the PPAs generally found their training in the soft skills useful they all found the lack of training on systems and processes led to major frustrations when they took up their new posts. (para 8.23-8.26)

12.25 **Recommendation 12: The PPAs should be provided on an ongoing basis with refresher courses to improve their skills and understanding of the Programme.** Given the central role of the PPAs as discussed above it is vital that their skills are kept current and augmented as appropriate by ongoing training and development. Such training will also help to maintain the current high levels of enthusiasm amongst PPAs. (para 8.23-8.29)

- 12.26 **Recommendation 13: Need to review the content and scope of the Pathways guidance** to ensure that it meets the needs of those delivering the programme. PPAs felt that the guidance documents provided was difficult to use due to their size and structure. They would like to see something more succinct. They also felt that many of the changes that occurred as the programme developed were not captured in the guidance and therefore had to be constantly revisited. Going forward it will be important to ensure that systems are in place to keep the guidance up to date with any changes in policy or process. (para 8.61-8.64)
- 12.27 **Recommendation 14: A co-ordinated approach to responding to queries from Jobcentre staff should be developed.** The PPAs and team leaders on occasion found themselves getting different guidance on the same issue from different branches in DEL HQ and on occasions from the SSA. There is clearly a need, particularly for pilot programmes, to establish a single point of contact within DEL HQ to whom all queries should be forwarded and who would ensure that the responses were then circulated to all offices and captured in the guidance. (para 8.18-8.20)
- 12.28 **Recommendation 15. A psychological support service should be provided to PPAs** to help them to deal with the impacts of some of the more difficult cases they have to deal with. As mentioned above a number of PPAs have had to deal with threats of suicide from clients that caused them considerable anxiety. Even outside these more extreme cases PPAs often have to listen to harrowing stories in terms of client's life and health experiences. Some form of counselling should therefore be made available to help PPAs when they have to deal with issues of this nature. (para 8.44-8.47)
- 12.29 **Recommendation 16: Offices should where possible have interview rooms available to allow PPAs and clients to discuss personal issues around the client's health and other personal barriers to work.** While this degree of privacy is not always required issues do arise in the WFI process that require privacy and space permitting these discussions should be held in a private room. Both PPAs and clients highlighted concerns about the personal nature of some of the issues that were discussed. There are also however issues regarding the PPA's safety and the decision on whether or not to use such facilities if available should always be at their discretion.

Partnership arrangements

12.30 **Recommendation 17: Develop a more strategic outreach approach to enhance the capacity of Pathways and its constituent Choices to meet clients' needs.** The consultations with Personal Advisers indicated a number of issues that need to be addressed in strengthening the capacity of the WPP, and more generally improving external links, to help in meeting the needs of clients and contributing to the overall effectiveness of Pathways (para 8.75). In particular, there is a need to:

- Strengthen links with employers. It was clear from our evaluation that if Pathways is to be effective in getting people back to work, particularly those furthest from the labour market, that it needs to develop much better links with employers
- The development of better employer linkages would also provide more even coverage in terms of quality across the province. At present the quality of WPPM providers is seen as largely dependent on the strength of their relationship with local employers.
- The Programme also needs to develop better linkages with the voluntary sector particularly in regard to more bespoke provision for specific client groups on Pathways.

Best Practice

12.31 **Recommendation 18: The Department should look to adopt and use more widely the “buddying” scheme used in the roll-out of Pathways.** This was seen widely as a great success and helped to ensure that some of the lessons learnt in the initial phases of the roll-out were retained and ‘passed on’. It provided good support to those PPAs who were new in the post and gave them someone they could easily lift the phone and talk to if they had any problems.

Equality of opportunity

12.32 With its focus on helping people overcome barriers to entering employment due to health and disability conditions, enhancing the effectiveness of the Pathways programme should make a positive contribution to promoting equality of opportunity. Nonetheless, the evidence in relation to participation and take-up (paras 7.19-7.20) and outcomes (paras 6.33-6.41) highlights a number of issues to be addressed, as follows.

- 12.33 **Recommendation 19: The Department should consider how best to provide more focussed assistance for participants aged 50 and over.** The survey of participants found no significant effect on employment outcomes for those aged 50 and over. The starting point for improving outcomes for this age-group is to address their relatively low participation rates in the WPP and RTWC within the context of the more progression-focused strategic approach outlined above.
- 12.34 **Recommendation 20: The Department should review the use of Job Centre services by those with a limiting illness/disability, to identify means of improving access to and take-up of such services.** The survey of participants found a significantly lower take-up of Job Centre services by those with a limiting illness or disability (para 7.20).
- 12.35 **Recommendation 21: The Department should seek to identify means of improving take-up of choices by participants with a limiting health problem or disability.** In taking this recommendation forward, particularly attention needs to be paid to the WPP and, albeit to a lesser extent, the RTWC (para 7.20).

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Appendix A Methodology: Survey of Participants

Sample Frame

Pathways flows

The sample frame for Pathways flows was constructed by selecting out all clients who had participated on a programme or for whom the first scheduled Wfl satisfied the following criteria:

- Scheduled following a new/repeat IB claim that started on or after the rollout date for Pathways in the client's Jobs and Benefits Office (JBO).
- The client was screened 'In' or 'Out' i.e. there is a screening outcome and/or a set of screen data on the CMS for that client.
- The use of the screening outcome also entails at least one Pathways Wfl attendance, indicating at least a minimum level of participation in Pathways
- Clients screened as 'PCA Exempt' were excluded. Similarly, clients identified according to DSD records as exempt from the PCA, due to being on high-rate DLA or severe sickness, were also excluded from the sample frame.

It was agreed with the Project Steering Group that the PCA exempt were to be omitted from the sample frame for two reasons:

- In general, a person will be categorised as PCA-exempt due to severe sickness or receipt of DLA high care rate. It would not be appropriate to seek to interview such persons, due to the risk of causing distress.
- A key objective of the survey of Pathways flow participants is to identify outcomes from participation in Pathways. But the PCA-exempt were not mandated to participate in Pathways. Those who voluntarily participated in programmes were, however, included in the sample frame.

Pathways stocks

The sample frame for Pathways stocks was comprised of clients identified as having a pre-existing claim at the time that Pathways was rolled out in their local office and for whom one or more Pathways Wfls had been arranged through to end-September 2007.

Comparator flows

In constructing the sample frame for the comparators survey, the following criteria were applied using the available administrative data:

- The client commenced a new IB claim sometime after October 2005 at a JBO where Pathways had not been rolled out prior to October 2007 or the client commenced a new IB claim in a Pathways area at least six months prior to roll-out in that area.
- The client had not been a Pathways participant through September 2007 i.e. no Pathways Wfl had been scheduled for the client by that date and nor had the client participated on a Pathways choices programme.
- An IB Wfl was scheduled for the client and the client attended that IB Wfl. Thus, the comparators sample frame is restricted to locations in which IB Wfls had been rolled out in JBOs as of September 2007.
- Similar to the Pathways flows process, clients identified according to DSD records as exempt from the PCA, due to being on high-rate DLA or severe sickness, were excluded from the sample frame.

The first two criteria listed above are designed to distinguish the comparators from Pathways participants. The second and third criteria are part of the matching process. The exclusion of persons exempt from PCA follows the approach used for the Pathways flows sample. Similarly, the inclusion of only those who had attended a scheduled IB Wfl is intended to reflect the inclusion in the Pathways flow sample of those who had attended at least one Pathways Wfl. Thus, in comparing Pathways and comparator IB flows, the latter will have had at least the minimal required level of contact with a JBO. In addition, this criterion helps to manage any element of self-selection that might affect the propensity to attend an interview. These considerations are important in seeking 'like-for-like' comparisons as far as possible.

It had been the intention originally to focus the sample frame for comparators only on those areas where Pathways had *not* been rolled out through October 2007. The rationale for this was to ensure that comparators could be matched according to the timing of their IB claim. For example, for the period from October 2005 to March 2006, Pathways participants would have been matched with persons making claims in other areas within that same period of time, and similarly for other periods (see Table A.1 overleaf).

It was not, however, possible to fully implement an approach based on matching only from areas that had not been designated for Pathways through April 2007. The reason for this is that there are significant differences in the

socio-economic profiles of the areas within which Pathways was rolled out. More specifically, the Phase 3 areas encompass Falls Road, Shankill Road and Foyle. These are heavily urbanised locations with a much higher incidence of clients located in the most deprived areas.

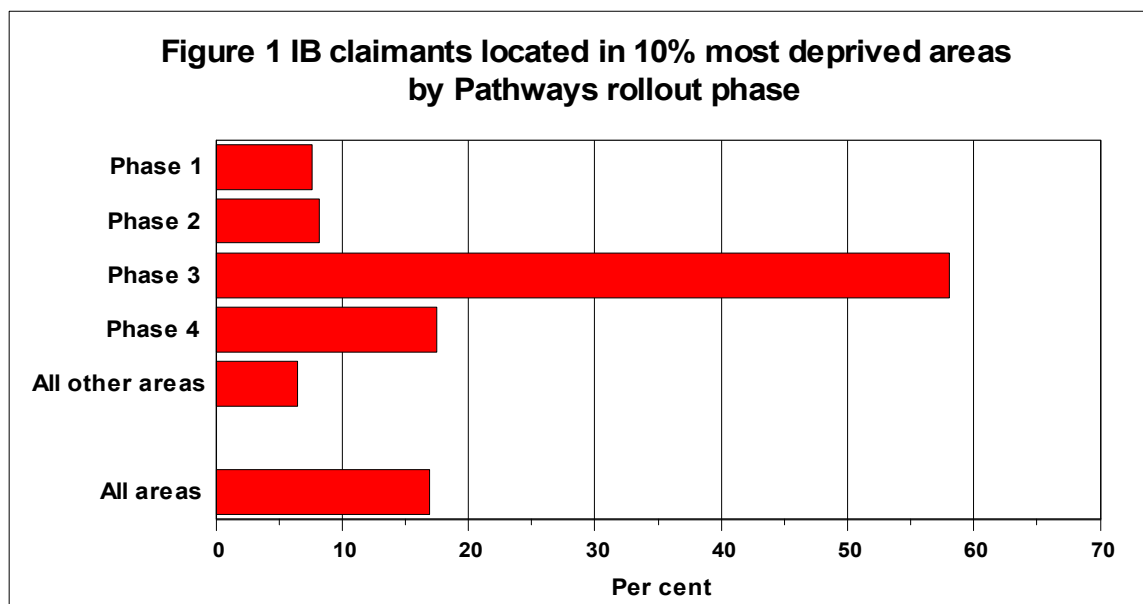
As shown in Figure 1 below, 58 per cent of persons making an IB claim in the Phase 3 areas from October 2005 to September 2007 were located in the 10 per cent most deprived areas in Northern Ireland (based on NISRA's NI Measure of Multiple Deprivation 2005). This compares with seven per cent in those areas where Pathways had not been rolled out through April 2007⁴⁶. Consequently, if the sample frame was confined solely to those areas, it would not be possible to obtain a sample of non-participants that is properly balanced in relation to the profile of participants on the deprivation indicator.

Table A.1 Pathways flows and IB comparators: Sample frames

IB claim date:	Pathways roll-out through April 2007:				All other areas
	Phase 1	Phase 2	Phase 3	Phase 4	
Oct '05 - Mar '06	Ballymoney Lurgan Magherafelt				
Apr '06 – Sept '06		Enniskillen Newry Newtown-abbey			
Oct '06 – Mar '07			Falls Road Foyle Lisnagelvin Shankill Road		
Apr '07- Sept '07				Conor Buildings Knock-breda Limavady Lisburn	
	Pathways flows				
	Comparators – Belfast and Foyle				
	Comparators – all other areas				

⁴⁶ Note that North Belfast does not feature in the comparators sample frame, as IB WfIs had not yet commenced at that office. If that had been the case, the All Other Areas in Figure 1 would include a higher percentage located in the most deprived areas.

Furthermore, restricting the selection of comparators to areas where Pathways had not been rolled out before September 2007 would make it impossible to draw comparisons between participants and non-participants located in inner-city areas. Finally, it would also not be possible to obtain a balanced match in relation to community background. For example, the Catholic share of claimants in the Phase 3 areas is 67 per cent (after excluding not stated and missing from the administrative data), compared to 41 per cent in the non-Pathways areas (as of September 2007).



Sample selection

The target sample sizes were as follows:

- Pathways stocks – 300.
- Pathways flows - 600.
- Comparator flows - 600.

In order to meet the sample size targets, it was considered necessary to prepare issued samples of 2,400 each for the flows (Pathways and comparators) and 1,200 for the Pathways stocks. The issued sample sizes were specified to manage the following risks:

- **Opt-out.** For data protection and privacy reasons, the issued sample was offered the opportunity of opting out of the study. Based on the experience with the evaluation of Pathways in Great Britain, about 6-7 per cent of the issued sample was

expected to opt out. This transpired also to be the case in Northern Ireland.

- **Incorrect contact details.** For example, persons exiting IB may have changed address or other details.
- **Non-contact.** While up to four call-backs were used for issued sample members who do not opt-out, non-contact inevitably arises with this type of survey. This can occur for a variety of reasons, but the experience with the Great Britain telephone survey of Pathways participants was that contact with the target group was 'difficult'.
- **Refusals.**

The issued samples for both the Pathways flows and stocks were selected on a random basis from the sample frames as specified above. For the Pathways flows, the sample frame contained 4,300 individual clients. Due to their lower level of participation, the Pathways stocks sample frame was more constrained, with 1,300 individuals.

The following procedure was adopted in order to select a sample that was matched, so far as possible, with the Pathways flow participants. First, the Pathways flow and non-participant sample frames were separated into two groups:

- Clients located in Belfast and Foyle.
- Clients located in all other benefit offices.

Within each of these two groups, statistical modelling procedures⁴⁷ were employed to match the samples of comparators and Pathways flows to be as similar as possible in terms of the following criteria:

- Socio-demographic characteristics – age, sex, community background, marital status, dependents.
- Area characteristics – deprivation levels, urban/rural.
- Benefit history – whether previously on JSA, IB or some other disability benefit, length of time (weeks) previously on any of those benefits, length of time on the benefit claim that triggered a Pathways or IB Wfl.

⁴⁷ The technique of discriminant analysis was used.

As can be seen from Table A.2 below, the procedure produced a sample of comparators that was well-matched with the Pathways flows across a range of indicators. There are differences between the samples, but these are small enough to be addressed through adjustments at the analysis stage.

The main point of difference in Table 2 relates to the profile for commencement of the benefit claim. This is a consequence of the inclusion of pre-Pathways clients in Phase 3 and Phase 4 areas in the comparators sample frame. Within these areas, only claims made *after October 2005 and at least six months prior* to Pathways rollout in Phases 3 and 4 respectively were included as comparators, to guard against any spillover effects that might affect decision-making by clients in the run-up to Pathways. The use of pre-Pathways claims in the Phase 3 and 4 areas was unavoidable in seeking to balance the comparator sample in relation to deprivation, particularly inner city areas, and community background. It was addressed at the analysis stage by controlling for duration of time on benefit in estimating statistical models for Pathways effects.

Table A.2 Comparator flows and Pathways flows: Indicators

	Pathways	Comparators
	%	%
Deciles of deprivation		
First - 10% most deprived	19.5	16.7
Second	15.6	13.4
Third	12.3	15.2
Fourth	9.6	11.8
Fifth	10.6	12.9
Sixth	10.9	10.8
Seventh	9.5	6.6
Eighth	6.1	6.1
Ninth	3.4	4.2
Tenth – 10% least deprived	1.6	2.3
Community background		
Protestant	29.8	33.3
Catholic	47.4	44.2
Other	3.9	4.3
Unstated	12.4	11.5
Missing	6.6	6.8
Age		
16-29	26.1	27.1
30-39	21.7	21.0

Table A.2 Comparator flows and Pathways flows: Indicators

	Pathways	Comparators
	%	%
40-49	26.2	25.7
50+	26.1	26.2
Sex		
Female	44.0	40.7
Male	56.0	59.3
Marital status		
Single	43.9	44.0
Male	28.1	27.8
Divorced	5.3	5.8
Separated	10.8	10.9
Widowed	1.4	0.6
Living with partner	2.2	2.4
Not stated	2.5	2.8
Not known	5.8	5.7
Urban/rural		
Rural	36.4	35.7
Urban	63.6	64.3
Previous IB claims		
None	65.3	66.0
One	23.8	24.3
Two or more	10.9	9.7
Previous JSA claims		
None	55.0	54.0
One	15.8	17.1
Two or more	29.2	28.9
Benefit office		
Belfast or Foyle	19.4	19.4
Other areas	80.6	80.6
Commenced benefit claim		
Oct '05 -Mar '06	13.6	30.3
Apr '06 – Sept '06	25.4	28.0
Oct '06 – Mar '07	38.9	26.8
Apr '07-Sept '07	22.2	14.9

Questionnaire

The structure of the questionnaire is set out in Table A.3. An important design principle in relation to the questionnaire has been the need for comparability with estimates of Pathways effects in the Great Britain (GB) pilots. For that reason, the draft questionnaire has drawn extensively on the various surveys used in the GB evaluation. It should, however, be noted that the GB evaluation of Pathways has, for the most part, made use of designs that feature interviews undertaken at different points in time. For example, the June 2007 report by Bewley *et al* was able to draw on interviews that took place at various stages in the roll-out of the GB Pathways Pilots. This included early stage interviews, shortly after respondents had made an IB claim, as well as interviews that took place about two years after the initial claim. There was, therefore, no off-the-shelf questionnaire that could be replicated in its entirety for the Northern Ireland survey.

More importantly, perhaps, the GB surveys focused on cohorts of individuals who commenced their IB claims within a specified three-month time period. In addition, the GB surveys included in their sampling frames all of those who had made an enquiry for an IB claim within the specified time period.

Table A.3 Pathways Quantitative Survey: Structure of the questionnaire

	Section	Topics
1	Introduction	Incapacity Benefit receipt Household composition
2	Current activities	Current labour market status <ul style="list-style-type: none"> • In paid employment – hours, occupation, industry, pay • Inactive – reasons What doing immediately before current activity Ever in paid work Pattern of labour market activity prior to IB spell
3	Job Search	Routing: Persons not currently in a job, not retired Whether waiting to start a job Whether looking for a job If not looking, what are the barriers? Whether would like paid work, when expects to be working again and difference that might make to health
4	Contact with Jobs and Benefit Offices	Whether had attended Work Focused Interview at Jobcentre/Jobs and Benefits Office Views on usefulness of the interview Effect on thinking about paid work
5	Participation in choices	What programmes/choices respondent has participated in Usefulness of the programme Whether anything did not or could not offer that respondent had hoped for Impact on finding a job, job search, thinking about looking for a job
6	Health condition / disability	Whether has a health condition Nature and extent of health condition Trend in health condition and limiting effect on ability to work
7	Personal Details	Range of questions relating to factors that are known to be correlated with probability of being in a job e.g. qualifications, age left school, whether has a driving licence, etc. Equality/profile questions e.g. religion, dependents.

Appendix B Area Profiles

Table B.1 Area profile of IB claimants August 2007: Pathways rollout phases

	Pathways rollout:							All on benefit	NI population aged 16-74
	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7		
	%	%	%	%	%	%	%	%	%
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Multiple deprivation measure									
Most deprived decile	7.4	7.2	59.5	16.1	27.1	4.6	2.6	18.9	12.1
Second	11.8	21.4	14.7	11.1	16.7	16.2	5.7	14.1	9.0
Third	12.9	15.0	7.6	7.0	13.6	18.9	9.5	12.4	8.4
Fourth	12.2	12.0	4.1	9.0	10.9	13.8	15.7	11.2	9.1
Fifth	11.9	14.2	3.1	8.6	12.8	6.4	12.3	9.8	9.5
Sixth	14.5	9.6	5.1	8.3	7.5	11.0	11.0	9.2	9.0
Seventh	12.6	8.4	3.1	10.1	4.9	7.2	13.4	8.0	10.0
Eighth	9.3	5.3	2.3	12.4	2.8	7.2	11.7	6.8	10.1
Ninth	5.1	5.5	0.5	7.6	1.4	10.7	9.0	5.6	10.8
Least deprived decile	2.2	1.4	0.0	9.9	2.3	4.0	9.0	4.1	11.9
Incapacity Benefit claim rate August 2005 (% of working-age population)									
Less than 7.4%	13.6	14.6	0.0	31.9	6.8	23.5	23.1	15.5	28.6

Table B.1 Area profile of IB claimants August 2007: Pathways rollout phases

	Pathways rollout:							All on benefit	NI population aged 16-74
	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7		
	%	%	%	%	%	%	%	%	%
7.4% to 9.8%	31.1	24.8	8.5	24.0	9.9	19.3	30.4	19.6	23.4
9.9% to 12.9%	29.4	26.3	13.9	19.5	28.9	19.2	33.6	24.5	22.3
13% and over	25.9	34.4	77.6	24.5	54.4	38.0	12.9	40.4	25.7
Location									
Rural	50.4	40.2	7.6	17.5	21.9	38.3	39.8	29.4	33.5
Urban	49.6	59.8	92.4	82.5	78.1	61.7	60.2	70.6	66.5
Employment rate (% all aged 16-74 - 2001)									
Less than 53%	22.0	44.9	80.5	30.8	54.3	27.5	7.8	39.7	26.6
53% to 58.9%	25.3	23.0	13.0	16.7	21.7	30.1	26.8	22.6	21.5
59% to 63.5%	35.6	20.8	5.1	18.0	16.9	17.5	33.2	20.0	23.8
63.6% and over	17.1	11.4	1.4	34.5	7.1	24.9	32.1	17.7	28.1
Economic activity rate (% all aged 16-74 - 2001)									
Less than 58%	22.4	44.1	76.4	31.5	47.7	27.9	9.5	38.0	25.6
58% to 62.7%	25.6	23.0	12.3	18.9	26.4	28.1	29.7	23.9	22.4

Table B.1 Area profile of IB claimants August 2007: Pathways rollout phases

	Pathways rollout:							All on benefit	NI population aged 16-74
	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7		
	%	%	%	%	%	%	%	%	%
62.8% to 66.7%	34.0	19.7	8.8	18.4	19.3	17.1	26.3	19.7	23.8
66.8% and over	18.0	13.2	2.5	31.2	6.6	26.8	34.4	18.4	28.1
Persons in households with limiting long-term illness (% of all 16+)									
Less than 20.5%	18.5	11.7	3.8	37.7	5.8	27.0	23.2	17.2	28.9
20.5% to 23.6%	31.4	29.1	14.5	16.4	16.6	15.7	29.2	20.7	23.6
23.7% to 27.1%	23.3	33.8	15.3	11.2	24.4	25.8	32.6	24.1	22.3
27.2% and over	26.8	25.5	66.4	34.7	53.3	31.5	15.0	38.0	25.3
Social housing (% of households)									
Less than 5%	10.8	11.3	1.4	12.3	6.0	13.5	14.1	9.6	16.7
5% to 14.9%	31.7	35.8	13.5	25.6	20.6	28.9	32.1	26.0	32.0
15% to 29%	31.9	31.2	18.5	28.1	30.9	29.1	32.7	28.9	27.6
30% and over	25.6	21.7	66.6	34.0	42.5	28.6	21.1	35.6	23.7
Catholic population share									
Less than 12%	11.4	13.3	12.9	28.9	19.1	27.0	41.4	23.0	26.8

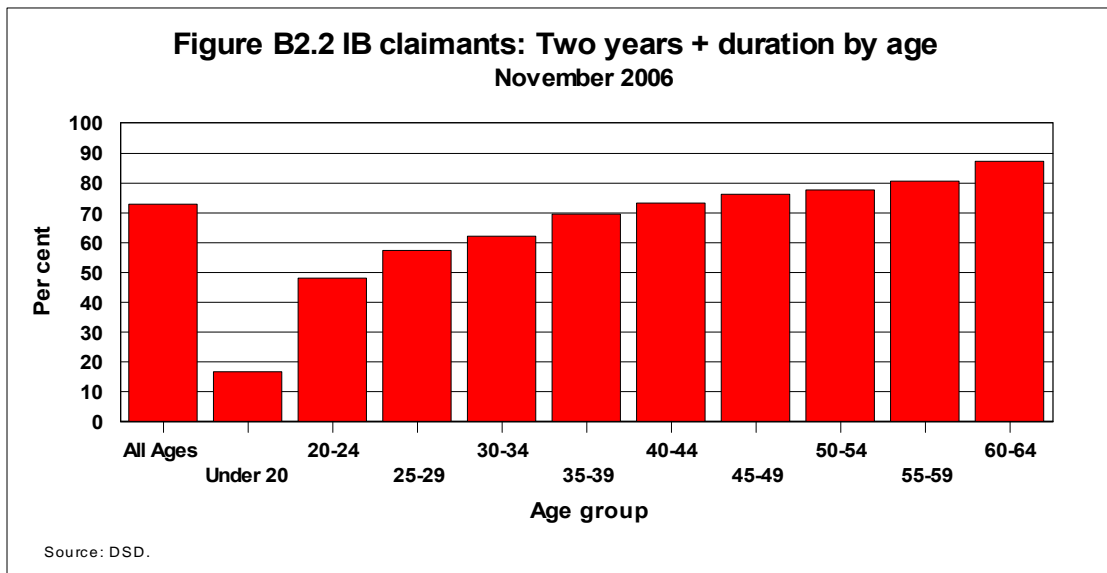
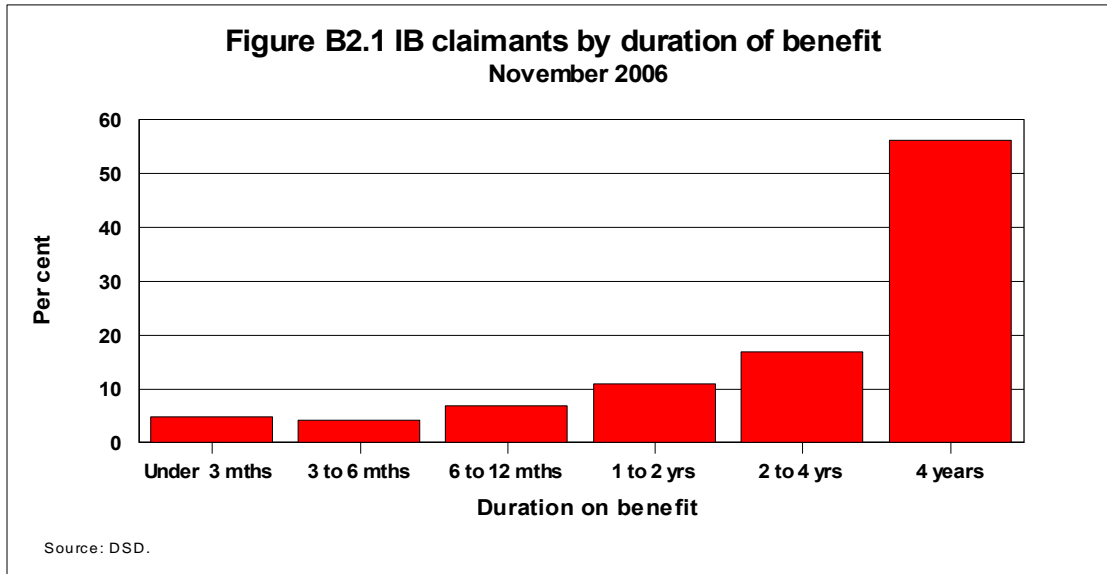
Table B.1 Area profile of IB claimants August 2007: Pathways rollout phases

	Pathways rollout:							All on benefit	NI population aged 16-74
	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Phase 7		
	%	%	%	%	%	%	%	%	%
12% to 37%	25.4	11.9	9.6	33.1	11.6	32.7	22.0	20.2	24.0
37% to 70%	22.1	27.8	11.0	31.2	21.3	25.6	20.2	22.3	24.3
71% and over	41.1	47.1	66.5	6.8	47.9	14.6	16.4	34.5	24.9

Sources: DSD; NISRA Census of Population, 2001.

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Appendix C Administrative Data



IB Flows**Table C.1 Work-focused interviews in Pathways pilot areas: New IB claims with start dates after rollout date – claims starting before end-July 2007, all aged 18-59 at start of claim**

Claim start date:	Phase 1	Phase 2	Phase 3	Phase 4	All Pathways	Cumulative
Claims for which 1+ Wfls arranged						
<i>Number</i>						
October 2005 to April 2006	889	0	0	0	889	889
April 2006 to October 2006	872	988	0	0	1,860	872
October 2006 to April 2007	646	727	855	0	2,228	646
April 2007 and later	347	337	483	307	1,474	347
All	2,754	2,052	1,338	307	6,451	2,754
All up to April 2007	2,407	1,715	855	0	4,977	2,407
<i>Per cent of claims</i>						
October 2005 to April 2006	62.0				62.0	62.0
April 2006 to October 2006	68.9	61.5			64.8	68.9
October 2006 to April 2007	65.1	56.7	68.7		63.3	65.1
April 2007 and later	53.1	38.3	55.9	36.5	45.5	53.1
All	63.4	54.4	63.4	36.5	58.3	63.4
All up to April 2007	65.2	59.3	68.7		63.6	
Claims with 1+ Wfl attendances						
<i>Per cent of claims with 1+ Wfl arranged</i>						
October 2005 to April 2006	84				84	84
April 2006 to October 2006	76	79			78	76

Table C.1 Work-focused interviews in Pathways pilot areas: New IB claims with start dates after rollout date – claims starting before end-July 2007, all aged 18-59 at start of claim

Claim start date:	Phase 1	Phase 2	Phase 3	Phase 4	All Pathways	Cumulative
October 2006 to April 2007	80	76	87		81	80
April 2007 and later	72	70	78	70	73	72
All	79	76	84	70	79	79
All up to April 2007	80	78	87		80	80
	<i>Per cent of all claims</i>					
October 2005 to April 2006	52				52	52
April 2006 to October 2006	53	48			50	53
October 2006 to April 2007	52	43	60		52	52
April 2007 and later	38	27	44	25	33	38
All	50	42	53	25	46	50
All up to April 2007	52	46	60		51	52
	Claims with 2+ Wfl attendances					
	<i>Per cent of all with 1+ attendances</i>					
October 2005 to April 2006	52				52	52
April 2006 to October 2006	52	47			50	52
October 2006 to April 2007	46	35	56		47	46
April 2007 and later	26	9	36	19	25	26
All	48	37	50	19	44	48
All up to April 2007	50	42	56		49	50
	<i>Per cent of all 1+Wfl arranged</i>					
October 2005 to April 2006	43				43	43

Table C.1 Work-focused interviews in Pathways pilot areas: New IB claims with start dates after rollout date – claims starting before end-July 2007, all aged 18-59 at start of claim

Claim start date:	Phase 1	Phase 2	Phase 3	Phase 4	All Pathways	Cumulative
April 2006 to October 2006	40	37			39	40
October 2006 to April 2007	37	26	49		38	39
April 2007 and later	18	7	28	13	18	34
All	38	28	42	13	34	
All up to April 2007	40	33	49		39	
	<i>Per cent of all claims</i>					
October 2005 to April 2006	27				27	27
April 2006 to October 2006	28	23			25	28
October 2006 to April 2007	24	15	34		24	24
April 2007 and later	10	3	16	5	8	10
All	24	15	26	5	20	24
All up to April 2007	26	19	34		25	26
	Mean number of Wfls attended, by when claim started					
	<i>Mean per claim with 1+ Wfl attended</i>					
October 2005 to April 2006	2.3				2.3	2.3
April 2006 to October 2006	2.1	1.9			2.0	2.1
October 2006 to April 2007	1.8	1.5	2.1		1.8	2.0
April 2007 and later	1.3	1.1	1.5	1.2	1.3	1.8
All	2.0	1.6	1.9	1.2	1.8	
All up to April 2007	2.1	1.7	2.1		2.0	

Table C.1 Work-focused interviews in Pathways pilot areas: New IB claims with start dates after rollout date – claims starting before end-July 2007, all aged 18-59 at start of claim

Claim start date:	Phase 1	Phase 2	Phase 3	Phase 4	All Pathways	Cumulative
Sources: DEL CMS; DSD SWLD.						

Table C.2 Frequency distribution of Wfls attended: New claims with start dates after Pilot rollout dates

Claim start date:	Number of Wfls attended:					All with 1+ attendance	
	1	2	3	4	5+		
	<i>Per cent of claims with 1+ Wfl attendances</i>						
October 2005 to April 2006	46.9	17.9	13.2	7.8	9.0	5.2	100.0
April 2006 to October 2006	49.8	19.9	19.1	5.5	4.7	1.1	100.0
October 2006 to April 2007	52.6	22.0	17.3	5.0	2.5	0.6	100.0
April 2007 and later	75.1	19.3	5.1	0.4	0.1	0.0	100.0
All claims	55.7	20.2	14.6	4.6	3.6	1.3	100.0
Claims to April 2007 only	50.5	20.5	17.2	5.7	4.5	1.6	100.0
	<i>Per cent of all claims</i>						
October 2005 to April 2006	24.5	9.3	6.9	4.0	4.7	2.7	52.2
April 2006 to October 2006	25.0	10.0	9.6	2.8	2.4	0.6	50.2
October 2006 to April 2007	27.1	11.3	8.9	2.6	1.3	0.3	51.5
April 2007 and later	25.0	6.4	1.7	0.1	0.0	0.0	33.2
All claims	25.6	9.3	6.7	2.1	1.6	0.6	45.9
Claims to April 2007 only	25.8	10.5	8.8	2.9	2.3	0.8	51.2

Sources: DEL CMS; DSD SWLD.

Table C.3 Receipt of benefit by pattern of participation: Pathways flows with starts through April 2007

	1+ previous claims for:			In receipt during Pathways IB claim:			Receipt of other disability benefit ¹ :	
	IB	JSA	IS	IS	IS with disability premium	During IB claim ²	Previously	
	%	%	%	%	%	%	%	
None	41	-	-	-	-	-	-	
Wfl scheduled, no attendance	39	39	43	32	10	13	6	
Screened out, 1 attendance only	30	36	34	27	7	11	3	
Screened out, 1+ follow-up	30	43	45	35	8	9	3	
Screened in, 1 attendance only	38	44	66	56	19	20	7	
Screened in, 1+ follow-up	43	47	67	57	22	18	6	
Other, 1 attendance only	34	37	50	39	17	25	5	
Other 1+ follow-up	54	50	60	50	19	21	7	
All	39	42	54	44	15	17	5	

1 Primarily Disability Living Allowance (DLA).

2 Including spells starting before Pathways IB claim.

- Not available

Sources: DEL CMS; DSD SWLD.

Table C.4 Main condition by pattern of participation: Pathways flows with starts through April 2007

	Mental and behavioural	Musculo-skeletal system	Circulatory and respiratory	Other diseases	Symptoms, signs, abnormal clinical findings	Injury, other external	All other	Missing	All
	%	%	%	%	%	%	%	%	%
None	29	14	6	6	14	16	10	5	100
Wfl scheduled, no attendance	31	16	4	7	14	18	7	4	100
Screened out, 1 attendance only	32	16	4	5	15	18	6	4	100
Screened out, 1+ follow-up	30	15	3	8	14	20	6	4	100
Screened in, 1 attendance only	36	16	8	8	14	8	5	4	100
Screened in, 1+ follow-up	35	19	7	8	14	8	6	3	100
Other, 1 attendance only	39	12	6	8	13	11	8	3	100
Other 1+ follow-up	38	20	5	6	12	6	9	4	100
All	32	15	6	7	14	14	8	4	100

Sources: DEL CMS; DSD SWLD.

Table C.5 Programme participations: New claims with start dates after Pilot rollout dates

Claim start date:	CMP	WPP	RTWC	NDDP subsidis- ed employ- ment	NDDP other	Any prog- ramme	None	All
	%	%	%	%	%	%	%	%
	<i>Per cent of all with 1+ Wfls arranged</i>							
October 2005 to April 2006	7.6	3.7	12.0	0.6	3.5	23.3	76.7	100.0
April 2006 to October 2006	6.6	2.6	9.1	0.1	2.0	18.3	81.7	100.0
October 2006 to April 2007	7.9	2.1	6.4	0.0	1.1	16.2	83.8	100.0
April 2007 and later	5.1	0.9	3.8	0.1	0.5	9.8	90.2	100.0
All	6.8	2.2	7.4	0.1	1.6	16.3	83.7	100.0
Claims to April 2007 only	7.4	2.6	8.4	0.2	1.9	18.2	81.8	100.0
	<i>Per cent of all with 1+ programme participations</i>							
October 2005 to April 2006	32.9	15.9	51.7	2.4	15.0	117.9		
April 2006 to October 2006	36.2	14.4	50.0	0.6	10.9	112.1		
October 2006 to April 2007	48.8	12.7	39.3	0.3	6.9	108.0		
April 2007 and later	51.7	9.7	38.6	0.7	5.5	106.2		
All	42.0	13.5	45.1	0.9	9.6	111.0		
Claims to April 2007 only	40.4	14.1	46.1	0.9	10.2	111.8		

Sources: DEL CMS; DSD SWLD.

Table C.6a Take-up of choices by pattern of participation: Pathways flows with starts through April 2007 – Row per cent

	CMP	WPP	RTWC	Any	None	All	Mean¹
	%	%	%	%	%	%	%
None	0.0	0.1	0.2	0.4	99.6	100.0	1.00
Wfl scheduled, no attendance	0.3	0.0	3.7	4.0	96.0	100.0	1.00
Screened out, 1 attendance only	3.0	0.8	7.9	11.3	88.7	100.0	1.03
Screened out, 1+ follow-up	13.9	9.0	38.0	56.0	44.0	100.0	1.09
Screened in, 1 attendance only	3.6	1.5	3.1	8.2	91.8	100.0	1.00
Screened in, 1+ follow-up	15.5	4.7	7.7	25.6	74.4	100.0	1.09
Other, 1 attendance only	2.5	0.6	8.8	11.7	88.3	100.0	1.02
Other 1+ follow-up	14.7	6.5	21.8	40.6	59.4	100.0	1.06
All	4.7	1.7	5.4	11.1	88.9	100.0	1.06

1 Per claim with 1+ participations in choices.

Sources: DEL CMS; DSD SWLD.

Table C.6b Take-up of choices by pattern of participation: Pathways flows with starts through April 2007 – Column per cent

	CMP	WPP	RTWC	Any	None	All
	%	%	%	%	%	%
None	0	2	2	1	41	36
Wfl scheduled, no attendance	1	0	8	4	13	12
Screened out, 1 attendance only	6	5	14	10	10	10
Screened out, 1+ follow-up	10	18	24	17	2	3
Screened in, 1 attendance only	8	9	6	7	10	10
Screened in, 1+ follow-up	65	55	28	46	17	20
Other, 1 attendance only	3	2	10	6	6	6
Other 1+ follow-up	7	8	9	8	1	2
All	100	100	100	100	100	100

Sources: DEL CMS; DSD SWLD.

IB Stocks**Table C.7 Work-focused interviews in Pathways pilot areas: Pre-existing IB claims ongoing at Pilot rollout date**

Claim start date:	Phase 1	Phase 2	Phase 3	Phase 4	All Pathways	Cumulative
Claims for which 1+ Wfls arranged						
<i>Number</i>						
Prior to October 2003	108	42	45	34	229	229
October 2003 to October 2005	581	84	44	21	730	959
October 2005 to April 2006		85	13	4	102	1,061
April 2006 to October 2006			38	17	55	1,116
October 2006 to April 2007				49	49	1,165
All	689	211	140	125	1,165	
<i>Per cent of claims</i>						
Prior to October 2003	1.6	0.5	0.4	0.5	0.7	0.7
October 2003 to October 2005	21.0	2.7	1.5	1.0	6.7	2.2
October 2005 to April 2006		5.9	1.2	0.6	3.1	2.3
April 2006 to October 2006			2.9	2.0	2.5	2.3
October 2006 to April 2007				5.3	5.3	2.3
All	7.3	1.7	0.9	1.0	2.3	
Claims with 1+ Wfl attendances						
<i>Per cent of claims with 1+ Wfl scheduled</i>						
Prior to October 2003	85	79	71	68	79	79
October 2003 to October 2005	86	58	82	48	81	81
October 2005 to April 2006		64	85	25	65	79

Table C.7 Work-focused interviews in Pathways pilot areas: Pre-existing IB claims ongoing at Pilot rollout date

Claim start date:	Phase 1	Phase 2	Phase 3	Phase 4	All Pathways	Cumulative
April 2006 to October 2006			76	47	67	78
October 2006 to April 2007				69	69	78
All	86	64	77	61	78	
	<i>Per cent of all claims</i>					
Prior to October 2003	1	0	0	0	1	1
October 2003 to October 2005	18	2	1	0	5	2
October 2005 to April 2006		4	1	0	2	2
April 2006 to October 2006			2	1	2	2
October 2006 to April 2007				4	4	2
All	6	1	1	1	2	
	Claims with 2+ Wfl attendances					
	<i>Per cent of claims with 1+ Wfl attended</i>					
Prior to October 2003	45	24	19	22	33	33
October 2003 to October 2005	67	27	14	20	59	53
October 2005 to April 2006		30	18	100	29	51
April 2006 to October 2006			31	38	32	51
October 2006 to April 2007				38	38	50
All	63	27	20	32	50	
	<i>Per cent of claims with 1+ Wfl arranged</i>					
Prior to October 2003	38	19	13	15	26	26
October 2003 to October 2005	57	15	11	10	48	43

Table C.7 Work-focused interviews in Pathways pilot areas: Pre-existing IB claims ongoing at Pilot rollout date

Claim start date:	Phase 1	Phase 2	Phase 3	Phase 4	All Pathways	Cumulative
October 2005 to April 2006		19	15	25	19	41
April 2006 to October 2006			24	18	22	40
October 2006 to April 2007				27	27	39
All	54	18	16	19	39	
	<i>Per cent of all claims</i>					
Prior to October 2003	0.6	0.1	0.1	0.1	0.2	0.2
October 2003 to October 2005	12.0	0.4	0.2	0.1	3.2	0.9
October 2005 to April 2006		1.1	0.2	0.1	0.6	0.9
April 2006 to October 2006			0.7	0.3	0.6	0.9
October 2006 to April 2007				1.4	1.4	0.9
All	3.9	0.3	0.1	0.2	0.9	
	Mean number of Wfls attended, by when claim started					
	<i>Per claim with 1+ Wfl attended</i>					
Prior to October 2003	1.79	1.58	1.31	1.22	1.59	1.59
October 2003 to October 2005	2.22	1.43	1.25	1.30	2.08	1.97
October 2005 to April 2006		1.61	1.45	2.00	1.59	1.94
April 2006 to October 2006			1.62	1.50	1.59	1.92
October 2006 to April 2007				1.47	1.47	1.90
All	2.15	1.54	1.39	1.38	1.90	

Sources: DEL CMS; DSD SWLD.

Table C.8 Frequency distribution of Wfls attended: Pre-existing IB claims ongoing at Pilot rollout date

Claim start date:	Number of Wfls attended:					All with 1+ attendance
	1	2	3	4	5+	
	<i>Per cent of claims with 1+ Wfl attendances</i>					
Prior to October 2003	66.3	18.2	9.9	3.3	1.1	1.1
October 2003 to October 2005	40.4	27.6	22.8	4.6	3.2	1.4
October 2005 to April 2006	69.4	14.5	3.2	9.7	3.2	0.0
April 2006 to October 2006	67.6	16.2	10.8	0.0	5.4	0.0
October 2006 to April 2007	58.6	31.0	10.3	0.0	0.0	0.0
All	49.3	24.4	18.0	4.3	2.8	1.1

Sources: DEL CMS; DSD SWLD.

Table C.9 Programme participations: Pre-existing IB claims ongoing at Pilot rollout date

	CMP	WPP	RTWC	NDDP subsidis- ed employ- ment	NDDP other	Any prog- ramme	None	All
	%	%	%	%	%	%	%	%
<i>Per cent of all with 1+ Wfls arranged</i>								
Prior to October 2003	9.2	7.4	19.2	1.3	7.4	38.0	62.0	100.0
October 2003 to October 2005	8.9	5.2	6.7	0.1	4.1	21.1	78.9	100.0
October 2005 to April 2006	2.9	1.0	10.8	1.0	5.9	18.6	81.4	100.0
April 2006 to October 2006	3.6	5.5	5.5	0.0	10.9	20.0	80.0	100.0
October 2006 to April 2007	6.1	0.0	2.0	0.0	4.1	10.2	89.8	100.0
All	8.1	5.1	9.3	0.4	5.2	23.7	76.3	100.0
<i>Per cent of all with 1+ programme participations</i>								
Prior to October 2003	24.1	19.5	50.6	3.4	19.5	117.2		
October 2003 to October 2005	42.2	24.7	31.8	0.6	19.5	118.8		
October 2005 to April 2006	15.8	5.3	57.9	5.3	31.6	115.8		
April 2006 to October 2006	18.2	27.3	27.3	0.0	54.5	127.3		
October 2006 to April 2007	60.0	0.0	20.0	0.0	40.0	120.0		
All	34.1	21.4	39.1	1.8	22.1	118.5		

Sources: DEL CMS; DSD SWLD.

Flows off Benefit: Pathways Phase 1 period

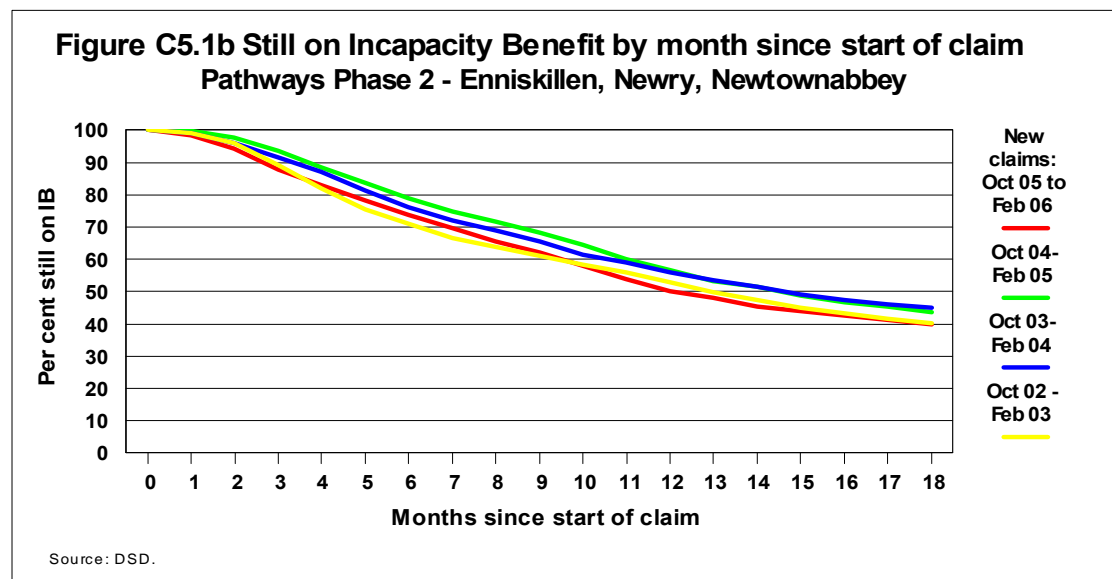
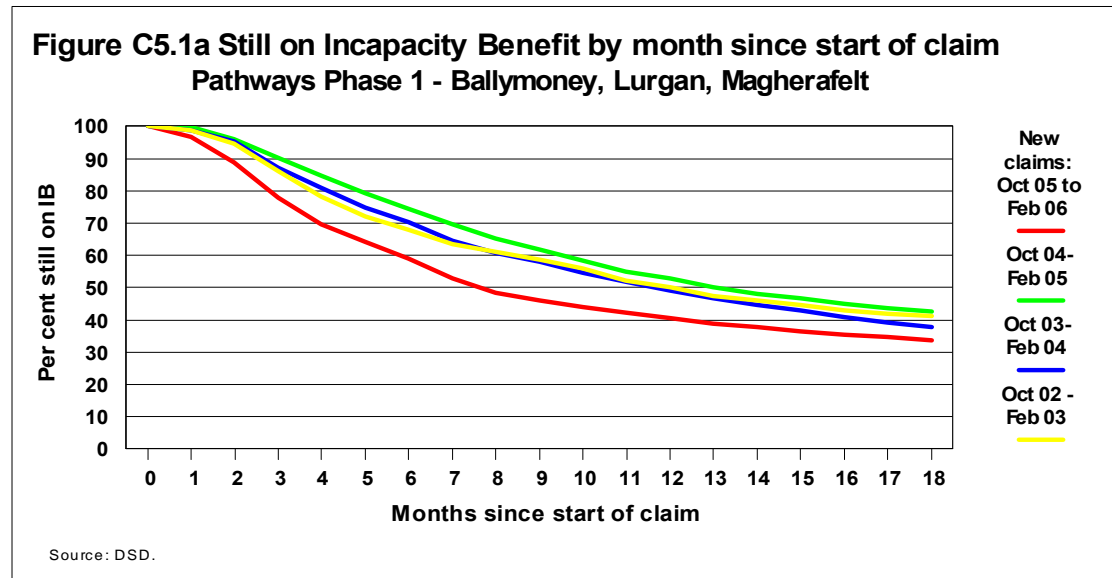
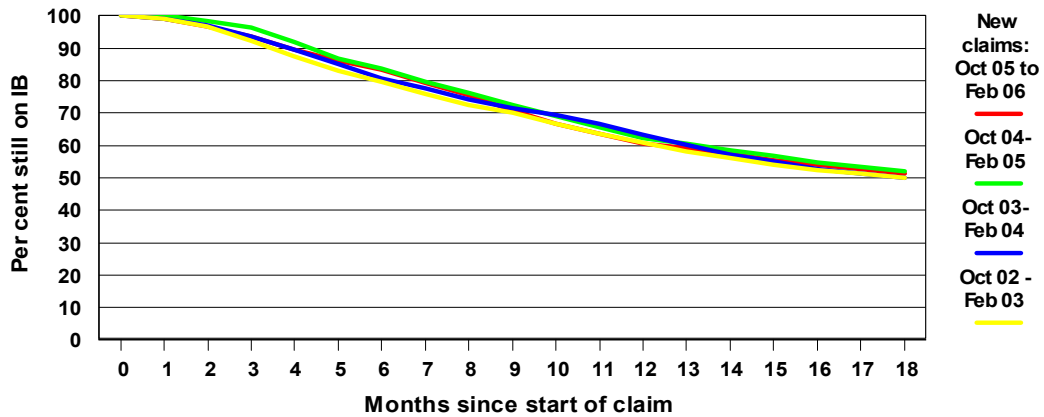
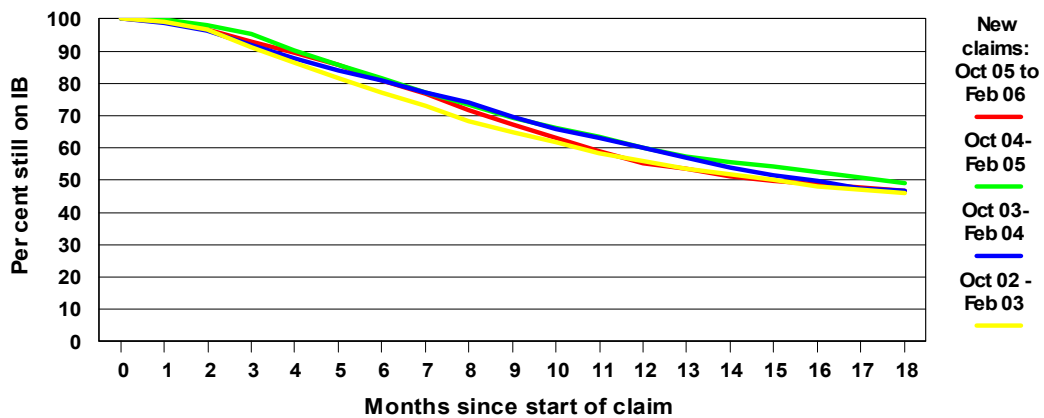


Figure C5.1c Still on Incapacity Benefit by month since start of claim
Pathways Phase 3 - Falls Rd, Foyle, Lisnagelvin and Shankill Rd



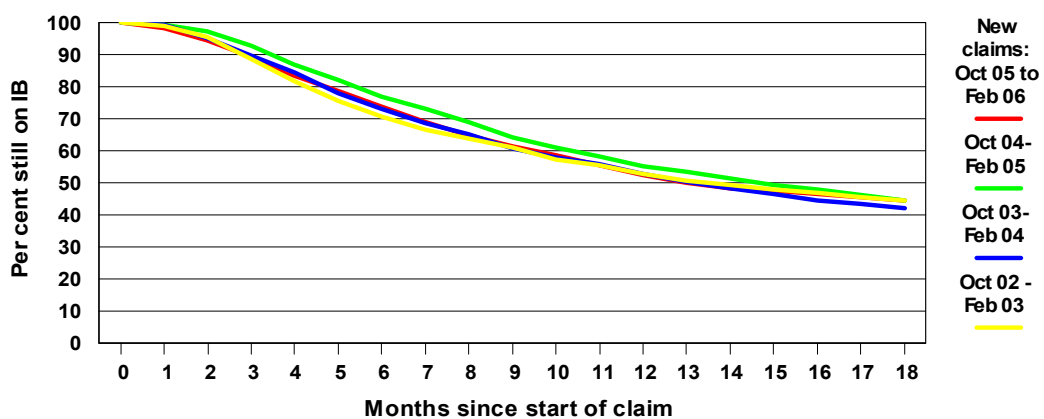
Source: DSD.

Figure C5.1d Still on Incapacity Benefit by month since start of claim
Rest of Belfast

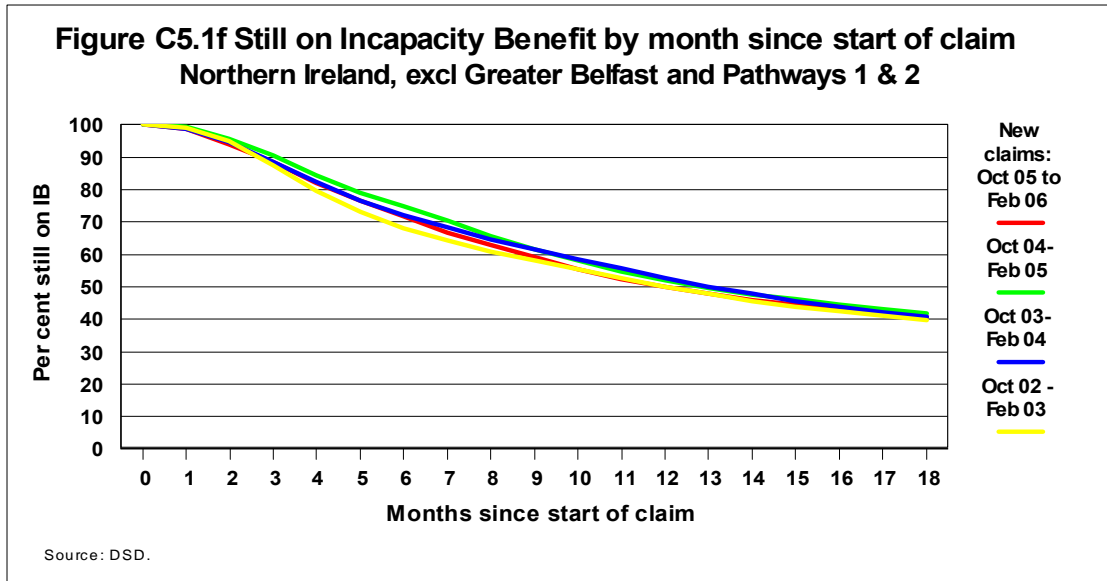


Source: DSD.

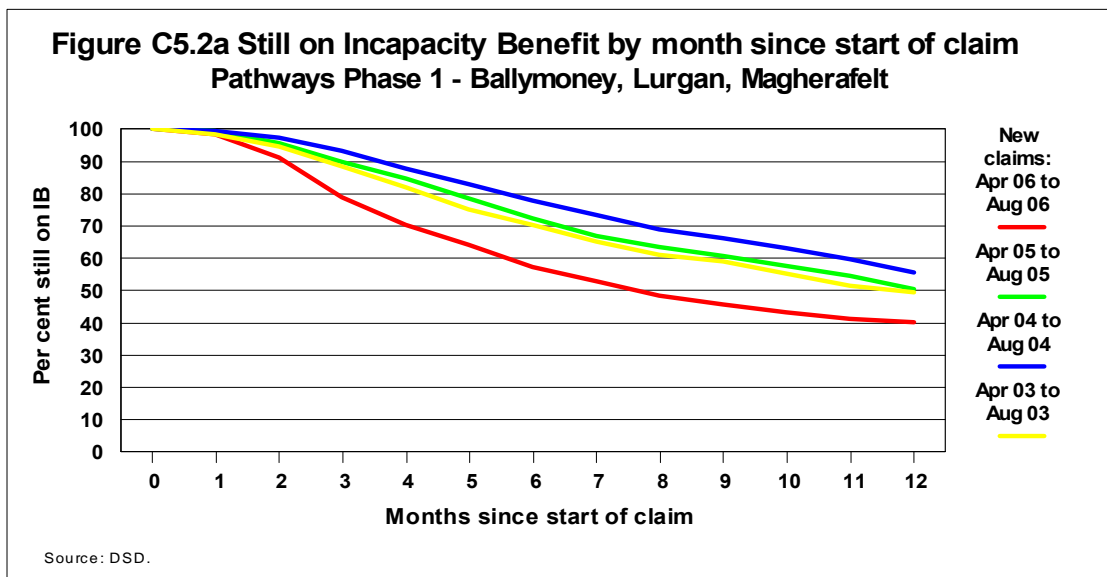
Figure C5.1e Still on Incapacity Benefit by month since start of claim
Outer Belfast

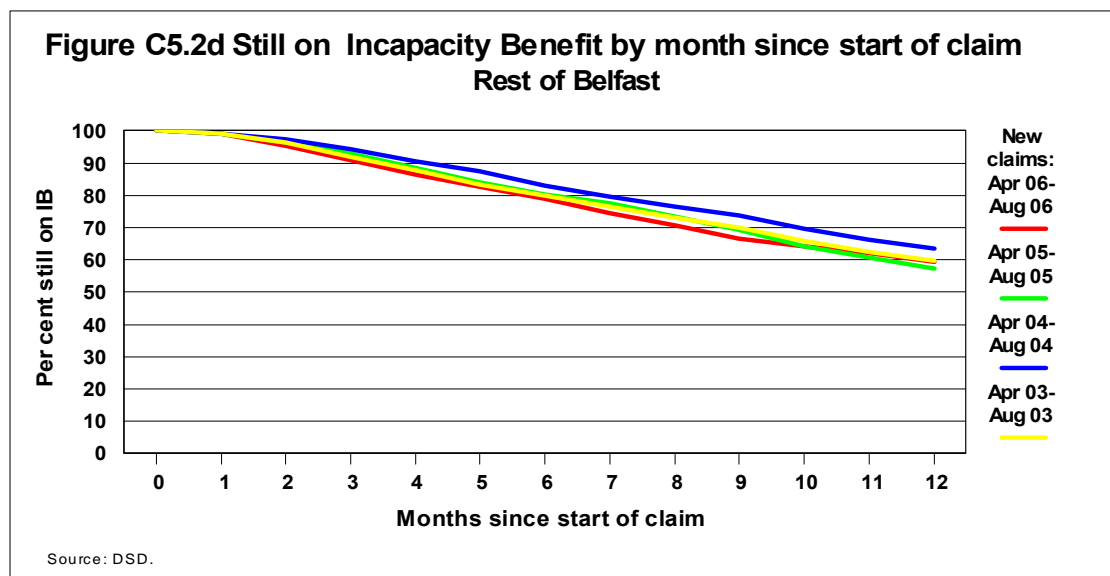
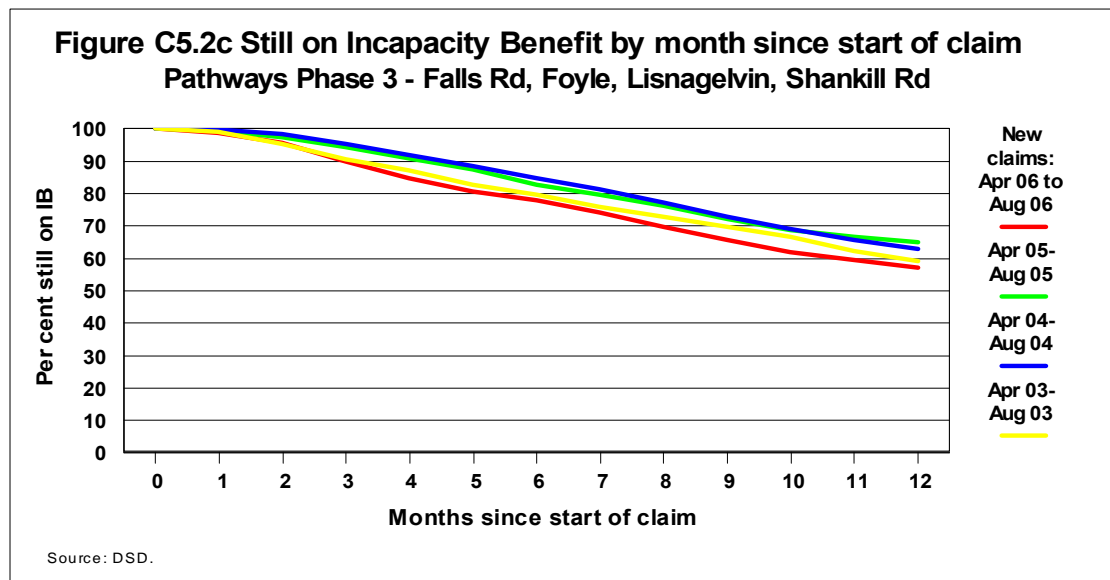
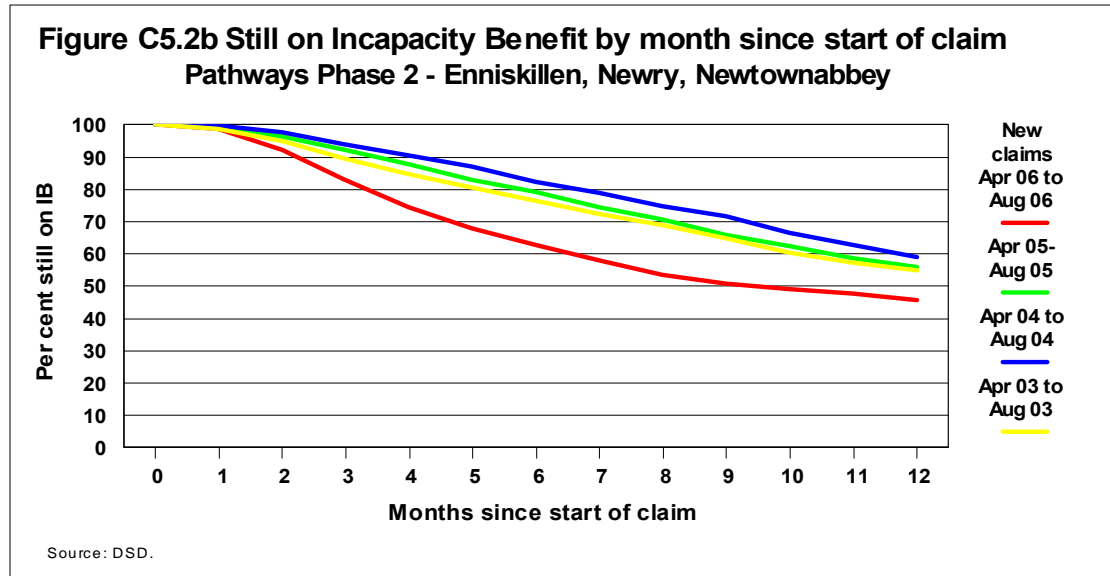


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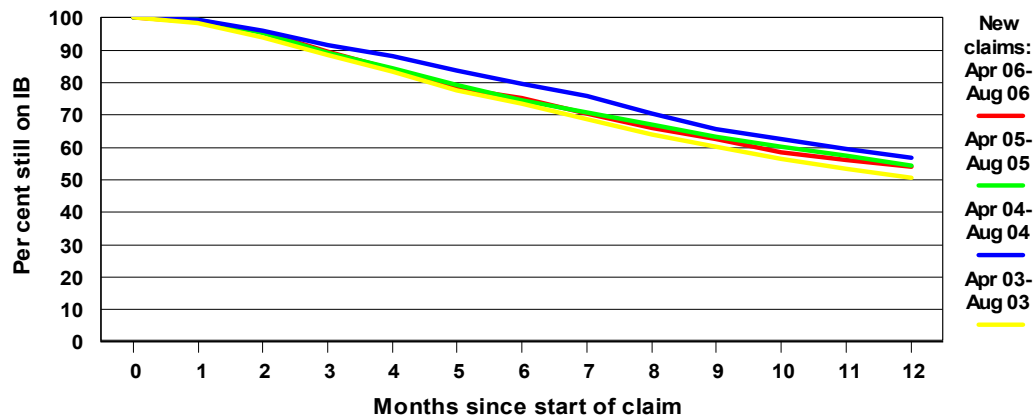


Flows off Benefit: Pathways Phase 2 period



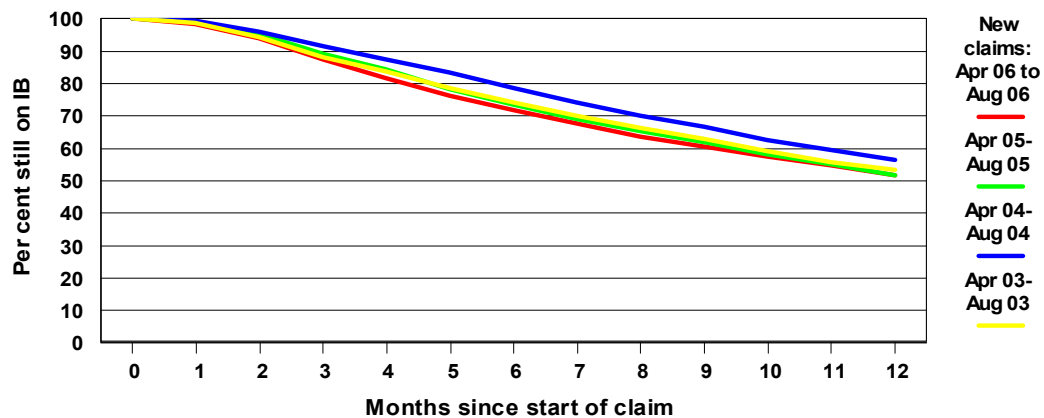


**Figure C5.2e Still on Incapacity Benefit by month since start of claim
Outer Belfast**



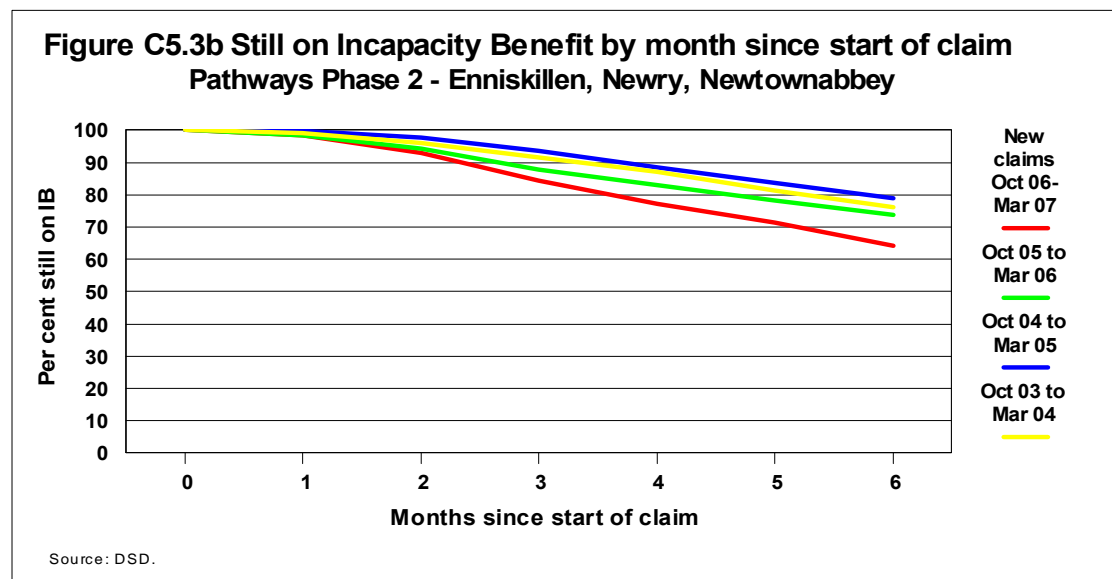
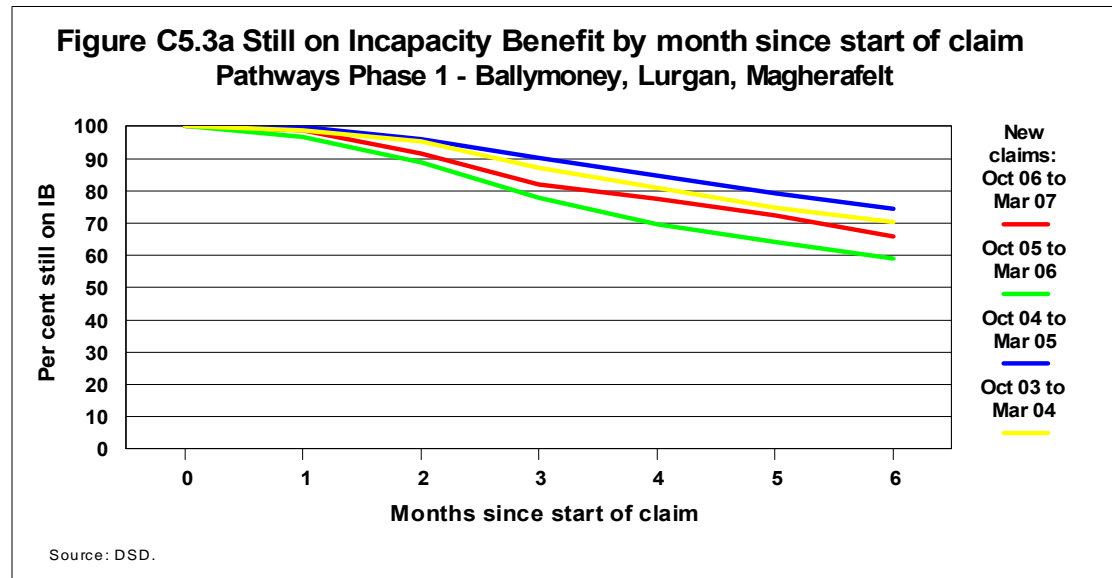
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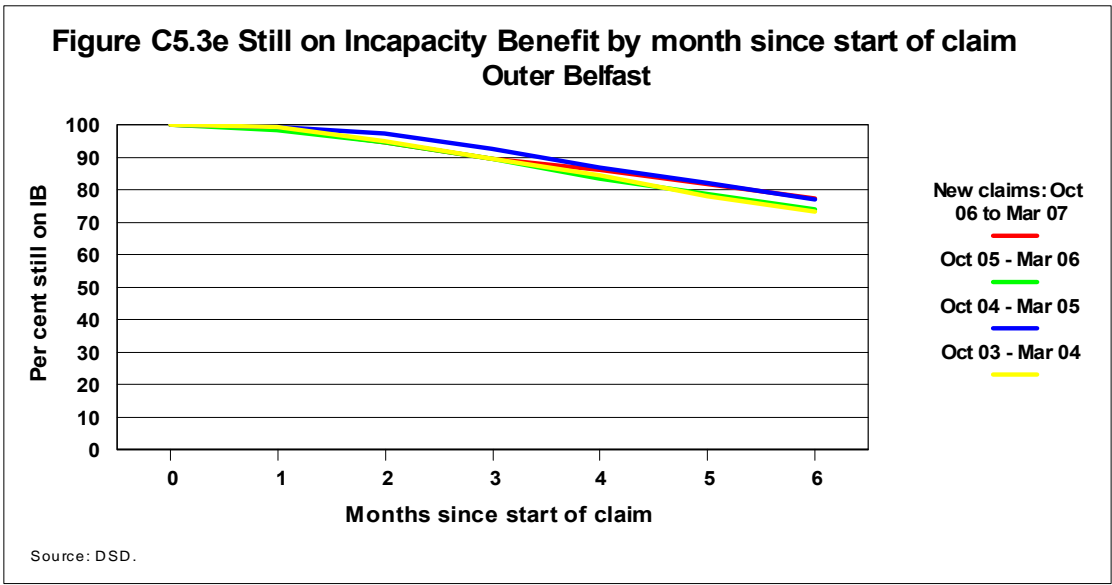
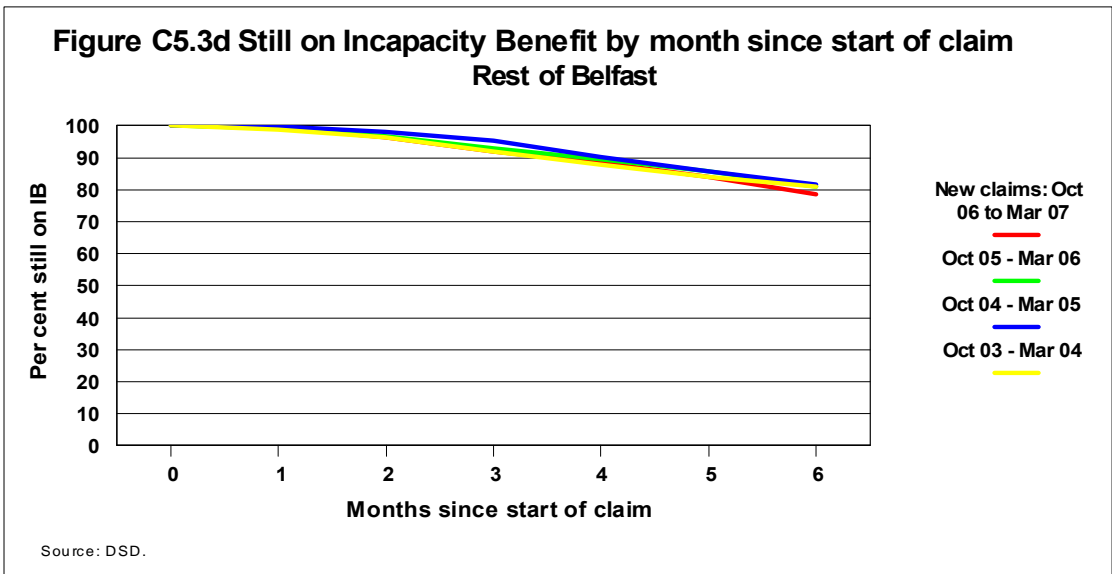
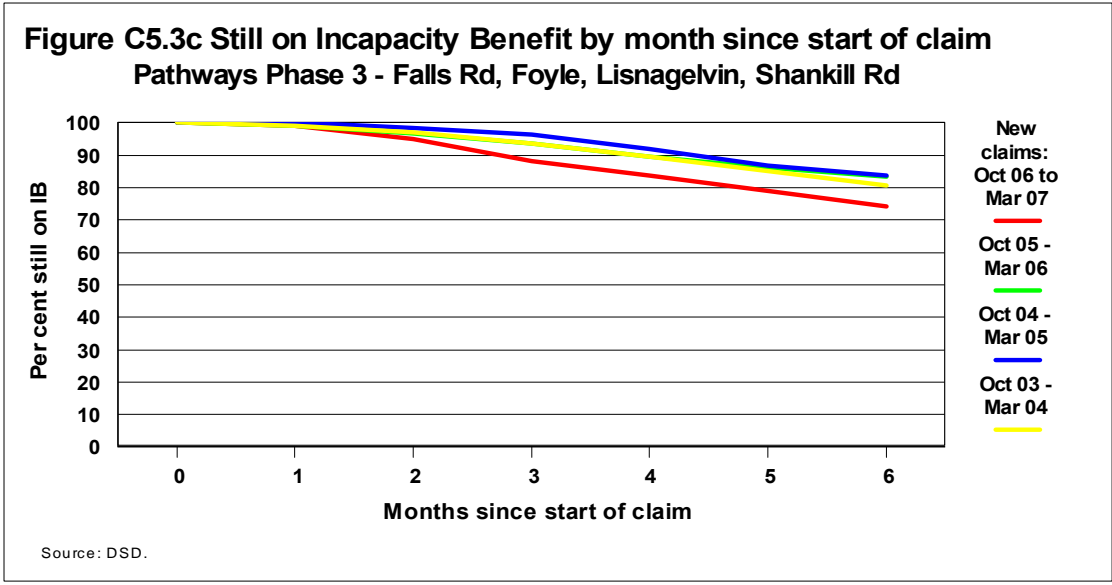
**Figure C5.2f Still on Incapacity Benefit by month since start of claim
Northern Ireland excl Greater Belfast and Pathways 1 and 2**



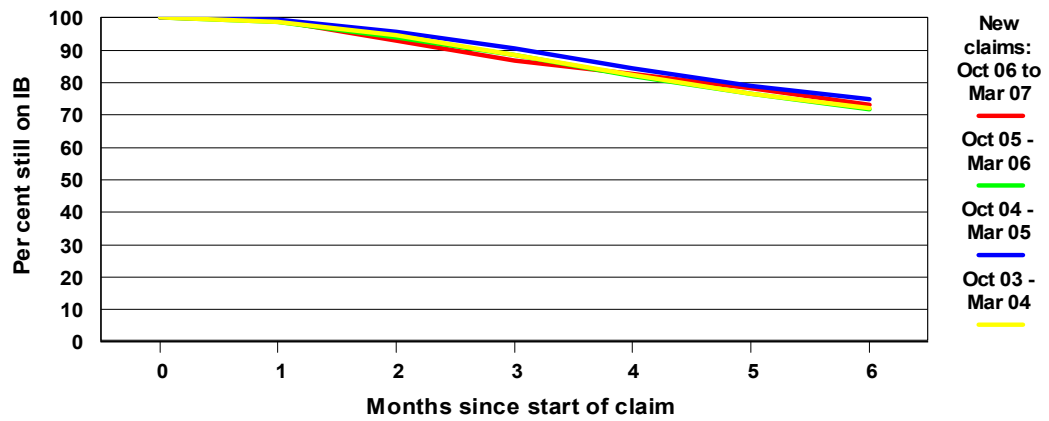
Source: DSD.

Flows off Benefit: Pathways Phase 3 period





**Figure C5.3f Still on Incapacity Benefit by month since start of claim
Northern Ireland excl Greater Belfast and Pathways 1 and 2**



Source: DSD.

Appendix D Survey of Participants: Tables

Profile**Table D.1 Survey of participants: Profile (Base=all)**

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways	Comparator	Difference	Sign.
		%	%	%	pps	
All		100	100	100		
Age	16-29	21	26	28	-1.8	n.s.
	30-39	22	22	21	1.0	
	40-49	30	26	25	1.3	
	50+	26	26	26	-0.5	
Gender	Male	58	56	60	-3.9	n.s.
	Female	42	44	40	3.9	
Employment status	Employee	16	22	18	4.4	***
	Self-employed	6	5	5	0.0	
	Work trial	1	1	0	1.3	
	Voluntary work	2	0	1	-0.8	
	Job lined up - new	0	2	1	0.6	
	Job lined up - previous	1	3	2	1.3	
	Not in work, no job lined up	71	64	70	-5.4	
	Retired	3	2	3	-1.4	
Job	Not in work, no job lined up	74	66	73	-6.8	**

Table D.1 Survey of participants: Profile (Base=all)

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways	Comparator	Difference	Sign.
		%	%	%	pps	
	In work or job lined up	26	34	27	6.8	
Current economic activity	In work	25	29	24	4.9	***
	Job lined up	1	5	3	1.9	
	Looking for paid work	12	9	15	-5.1	
	On a course	2	0	1	-0.9	
	Looking after home/family	14	12	11	1.2	
	Sick/disabled	40	38	40	-2.3	
	Retired	3	2	3	-1.4	
	Something else	4	5	3	1.6	
Ever worked	No	10	6	8	-1.6	n.s.
	Yes	90	94	92	1.6	
Work pattern¹	Mostly in steady jobs	59	62	59	2.9	n.s.
	Mainly casual or short-term work	9	10	12	-2.4	n.s.
	Lot of time out of work due to illness, injury or a disability	15	9	9	0.5	n.s.
	Mostly self-employed	3	4	6	-1.4	n.s.
	Never unemployed	7	12	8	4.0	**
	More time unemployed than in work	11	9	9	-0.1	n.s.

Table D.1 Survey of participants: Profile (Base=all)

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
	In work, then out of work, several times over	12	10	11	-1.3	n.s.
	Mostly looking after the home and family	11	12	9	2.6	n.s.
	None of the above	2	2	3	-1.1	n.s.
Work history - % of last 10 years in which:	In a paid job	56	66	65	0.7	n.s.
	Unemployed	33	24	24	0.4	n.s.
	F/T education or training	7	6	8	-1.2	n.s.
	Other	4	4	3	0.2	n.s.
Marital status	Single	40	41	41	0.0	n.s.
	Married/civil partnership	41	42	42	0.4	
	Separated/divorced/widowed	18	17	17	-0.3	
Living arrangements	Single, living alone	37	37	37	0.4	n.s.
	Married/civil partnership/cohabiting	46	47	46	0.4	
	Separated/divorced/widowed/living alone	17	16	17	-0.6	
Tenure	Owner-occupier	56	59	57	2.0	***
	Social rented	26	20	21	-1.2	

Table D.1 Survey of participants: Profile (Base=all)

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
	Private rented	12	14	18	-4.8	
	Other/not in a private residence	6	7	3	4.0	
Access to car, van, motor vehicle	No driving licence	38	37	38	-0.3	n.s.
	Licence, no access	7	7	7	0.5	
	Licence and access	56	55	56	-0.2	
Problems with English and/or numbers (self-reported)	No problems	79	82	83	-0.5	n.s.
	Problems with English	11	8	7	0.4	
	Problems with numbers	6	6	5	1.3	
	Problems with English and numbers	4	4	5	-1.2	
Highest qualification	Degree or equivalent	6	6	7	-0.8	n.s.
	Higher education	6	9	8	0.5	
	GCE A-level or equivalent	19	16	17	-1.6	
	GCSE grades A*-C or equivalent	22	22	22	0.4	
	Other qualification	8	10	11	-1.5	
	No qualification	39	38	35	3.0	
Partner's employment status	No partner	48	47	47	-0.1	n.s.
	Not in a job	28	23	24	-0.7	
	Part-time job	6	7	6	0.4	

Table D.1 Survey of participants: Profile (Base=all)

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
	Full-time job	18	24	23	0.4	
Caring responsibilities	None	64	61	60	0.3	n.s.
	Child(ren)	29	33	34	-1.3	
	Disabled/older person	11	10	11	-0.2	
	Both	3	4	5	-1.2	
	Any personal caring responsibilities	36	39	40	-0.3	
Religion	Catholic	55	56	50	5.4	n.s.
	Protestant	34	37	40	-3.8	
	Other/none/refused	10	8	9	-1.6	
Location	Urban	58	61	57	3.8	n.s.
	Rural	42	38	43	-4.4	
Deprivation	Most deprived 10%	9	18	11	7.5	***
	Second	16	13	12	1.6	
	Third	12	14	16	-2.3	
	Fourth	13	9	13	-3.7	
	Fifth	11	13	13	0.2	
	Sixth	11	10	12	-1.9	
	Seventh	10	11	7	3.5	

Table D.1 Survey of participants: Profile (Base=all)

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
	Eighth	8	6	8	-1.5	
	Ninth	6	4	5	-1.9	
	Least deprived 10%	4	1	4	-2.2	
Inner City	Belfast and Foyle inner-city Offices	6	17	11	6.9	***
Base		300	600	600		

Notes:

Stocks Already on a disability benefit at Pathways rollout date.

Flows New/repeat claim for disability benefit following Pathways rollout date.

pps Percentage points difference – Pathways flows compared to comparator flows.

Sign Significance of difference between Pathways flows and comparator flows for the relevant profile attribute - *** 1 per cent level;

** 5 per cent level; * 10 per cent level; n.s. Not significant.

1 Multiple response – sub-categories may add up to more than 100 per cent.

Jobs and Benefit Offices

Table D.2 Survey of participants: Jobs and benefit offices

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways		<i>pps</i>	
		%	%	%		
Recall talking with Jobcentre?	No	23	21	40	-18.9	***
	Yes	77	79	60	18.9	
	<i>Base = All</i>	300	600	600		
Who spoke with	DEA	19	12	10	2.1	
	PA	31	39	29	9.3	
	Other	9	11	12	-1.5	
	Not sure	46	42	52	-10.2	
	<i>Base = Recalls talking with Jobcentre</i>	231	474	361		
How useful	Very	47	51	31	20.2	***
	Fairly	33	34	42	-8.5	
	Not very	12	10	17	-6.7	
	Not at all	8	5	10	-5.0	
	<i>Base = Recalls talking with Jobcentre</i>	231	474	361		
Help with thinking about paid work	A lot	41	44	23	20.9	***
	A little	23	26	28	-1.8	
	No help at all	14	13	19	-5.4	
	Already had job lined up	3	5	5	-0.6	

Table D.2 Survey of participants: Jobs and benefit offices

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways	Comparator	pps	Sign.
		%	%	%		
	Work is not an option	19	13	26	-13.2	
	<i>Base = Recalls talking with Jobcentre</i>	231	474	361		
Recall Better-Off calculation	No	84	84	95	-11.1	***
	Yes	16	16	5	11.1	
	<i>Base = All</i>	300	600	600		
Result	Better off	77	69	64	4.5	n.s.
	No better off	9	15	26	-11.7	
	Cannot remember	13	17	10	7.2	
	<i>Base = Recalls Better-Off</i>	47	97	30		
Effect	Much more likely to look for work	28	39	47	-7.6	n.s.
	Somewhat more likely	21	25	5	19.5	
	Made no difference	51	36	48	-11.9	
	<i>Base = Better off</i>	37	66	19		

Notes:

Stocks Already on a disability benefit at Pathways rollout date.

Flows New/repeat claim for disability benefit following Pathways rollout date.

pps Percentage points difference – Pathways flows compared to comparator flows.

Sign Significance of difference between Pathways flows and comparator flows for the relevant profile attribute - *** 1 per cent level;

** 5 per cent level; * 10 per cent level; n.s. Not significant.

Table D.2 Survey of participants: Jobs and benefit offices

	Stocks	Flows			
	Pathways	Pathways	Comparator	Difference	
	%	%	%	pps	Sign.
1 Multiple response – sub-categories may add up to more than 100 per cent.					

Choices

Table D.3 Survey of participants: Participation in choices – Usefulness of programme to date, ranked by respondents on a score from zero (no use) to 10 (got all help could possibly have wanted) [responses with base numbers less than 30 included for draft report only]

Score:	CMP	WPP	RTWC	Subsidised employ- ment	Permitted Work / WorkStep	New Deal broker	Jobcentre services	Other help
	%	%	%	%	%	%	%	%
Pathways Flows								
Zero	6	12	6	13	23	26	11	23
1-3	5	5	1	12	6	10	7	12
4-6	29	22	12	31	22	29	28	14
7-9	38	47	36	38	39	30	46	28
10	22	14	45	6	10	5	8	23
<i>Base</i>	82	48	81	14	16	20	165	31
Pathways Stocks								
Zero	5	3	0	10	0	0	4	7
1-3	5	6	14	0	11	17	12	6
4-6	21	34	15	48	42	72	36	18
7-9	62	44	28	29	26	12	36	38

Table D.3 Survey of participants: Participation in choices – Usefulness of programme to date, ranked by respondents on a score from zero (no use) to 10 (got all help could possibly have wanted) [responses with base numbers less than 30 included for draft report only]

	CMP	WPP	RTWC	Subsidised employ- ment	Permitted Work / WorkStep	New Deal broker	Jobcentre services	Other help
Score:	%	%	%	%	%	%	%	%
10	8	13	44	13	21	0	12	32
<i>Base</i>	39	27	28	14	14	7	74	20
Combined Pathways								
Zero	6	9	4	12	12	20	9	17
1-3	5	6	4	6	8	12	8	9
4-6	26	27	13	40	32	40	30	15
7-9	45	46	34	33	33	26	43	32
10	17	13	45	9	15	4	9	27
<i>Base</i>	121	75	109	28	30	26	239	51

IB Status**Table D.4 Survey of participants: Self-reported IB claim status**

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
All		100	100	100		
Currently claiming IB	IB or NI Credits	53	48	45	2.4	n.s.
	IS with Disability Premium	14	11	11	0.1	
	Neither	32	40	42	-2.4	
	Not sure	1	2	2	-0.1	
Receiving sick pay before IB claim started	Received SSP	37	37	32	5.2	n.s.
	Proportion of past salary from employer	11	11	9	1.9	
	Not in work before that claim	37	36	41	-4.7	
	Received redundancy pay	3	3	3	-0.4	
	In work, but not eligible for SSP	12	14	16	-2.1	
	All not receiving sick pay	63	63	68	-5.2	n.s.
Receiving JSA before current/previous claim	Yes	22	23	22	1.5	
	No	38	35	41	-5.7	
	Not sure	2	1	2	-0.7	

Table D.4 Survey of participants: Self-reported IB claim status

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways		pps	
		%	%	%		
In work before that claim	Yes	60	58	54	3.8	n.s.

Notes:

Stocks Already on a disability benefit at Pathways rollout date.

Flows New/repeat claim for disability benefit following Pathways rollout date.

pps Percentage points difference – Pathways flows compared to comparator flows.

Sign Significance of difference between Pathways flows and comparator flows for the relevant profile attribute - *** 1 per cent level;

** 5 per cent level; * 10 per cent level; n.s. Not significant.

1 Multiple response – sub-categories may add up to more than 100 per cent.

In Work or Job Lined Up

Table D.5 Survey of participants: Whether currently in work or has a job lined up (*per cent of sub-group*)

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways			
		%	%	%	pps	
All		26	34	27	6.8	**
Age	16-29	26	39	33	6.1	
	30-39	26	37	25	11.5	**
	40-49	29	39	29	10.0	*
	50+	22	20	20	0.4	
Gender	Male	27	35	27	7.6	**
	Female	24	32	26	5.9	
Ever worked	No	5	9	14	-5.1	
	Yes	28	35	28	7.3	**
Work pattern	Mostly in steady jobs	27	37	31	6.7	*
	Mainly casual or short-term work	27	30	19	10.8	
	Lot of time out of work due to illness, injury or a disability	15	23	25	-2.5	
	Mostly self-employed	28	38	36	2.2	
	Never unemployed	27	37	25	12.0	
	More time unemployed than in work	16	17	23	-6.2	

Table D.5 Survey of participants: Whether currently in work or has a job lined up (*per cent of sub-group*)

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
	In work, then out of work, several times over	27	36	21	14.9	*
	Mostly looking after the home and family	25	20	9	10.5	
	None of the above	72	25	17	7.4	
Marital status	Single	24	36	27	9.4	**
	Married/civil partnership	29	35	30	5.2	
	Separated/divorced/widowed	25	22	18	4.8	
Living arrangements	Single, living alone	22	34	28	6.0	
	Married/civil partnership/cohabiting	29	38	29	8.1	**
	Separated/divorced/widowed/living alone	27	22	17	5.0	
Tenure	Owner-occupier	32	40	31	8.8	**
	Social rented	19	20	20	-0.2	
	Private rented	16	26	20	5.9	
	Other/not in a private residence	17	34	34	0.3	
Access to car, van, motor	No driving licence	19	25	19	6.3	
	Licence, no access	15	17	5	12.6	*

Table D.5 Survey of participants: Whether currently in work or has a job lined up (*per cent of sub-group*)

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways			
		%	%	%	pps	
vehicle	Licence and access	32	41	35	6.5	*
Problems with English and/or numbers (self-reported)	No problems	29	35	29	6.5	**
	Problems with English	18	23	21	2.5	
	Problems with numbers	8	38	17	20.9	*
	Problems with English and numbers	7	13	16	-2.2	
Highest qualification	Degree or equivalent	30	25	44	-19.0	*
	Higher education	38	40	31	8.7	
	GCE A-level or equivalent	21	49	31	18.0	**
	GCSE grades A*-C or equivalent	37	41	32	8.3	
	Other qualification	37	34	25	8.9	
	No qualification	17	23	17	5.3	
Partner's employment status	No partner	21	31	26	4.9	
	Not in a job	28	22	17	4.6	
	Part-time job	23	49	40	8.4	
	Full-time job	37	45	34	11.4	**
Caring responsibilities	None	23	30	25	4.9	
	Child(ren)	30	40	29	11.8	**
	Disabled/older person	29	36	32	4.8	

Table D.5 Survey of participants: Whether currently in work or has a job lined up (*per cent of sub-group*)

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways	Pathways	pps	Sign.
		%	%	%		
	Both	19	40	26	14.0	
	Any personal caring responsibilities	31	39	30	9.7	**
Religion	Catholic	26	32	27	4.9	
	Protestant	28	36	29	6.7	
	Other/none/refused	16	36	16	19.8	**
Location	Urban	23	31	27	4.0	
	Rural	30	38	27	11.4	***
Deprivation	Most deprived 10%	15	25	22	3.1	
	Second	37	34	28	5.7	
	Third	16	39	25	13.6	*
	Fourth	19	32	25	7.7	
	Fifth	32	47	30	17.4	**
	Sixth	33	35	24	11.2	
	Seventh	30	26	21	4.6	
	Eighth	23	37	28	8.9	
	Ninth	22	25	41	-16.2	
	Least deprived 10%	27	32	36	-4.4	
Inner City	Belfast and Foyle inner-city Offices	27	28	32	-3.6	

Table D.5 Survey of participants: Whether currently in work or has a job lined up (*per cent of sub-group*)

	Stocks	Flows	Comparator	<i>Difference</i>	<i>Sign.</i>
	Pathways	Pathways			
	%	%	%	<i>pps</i>	
Base	300	600	600		

Notes:

Stocks Already on a disability benefit at Pathways rollout date.

Flows New/repeat claim for disability benefit following Pathways rollout date.

pps Percentage points difference – Pathways flows compared to comparator flows.

Sign Significance of difference between Pathways flows and comparator flows for the relevant profile attribute - *** 1 per cent level;

** 5 per cent level; * 10 per cent level. Otherwise, not significant.

Table D.6 Survey of participants: Main job

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways		pps	
		%	%	%		
Type of job	New job	72	52	54	-1.8	n.s.
	Previous job	28	48	46	1.8	
<i>Base</i>	<i>All in work</i>	75	174	144		
Hours per week	Under 16	19	13	15	-1.7	n.s.
	16-29	32	31	22	8.2	
	30+	49	56	62	-5.8	
Hourly pay	Gross	6.49	7.54	7.55	0.0	
	Net	5.19	6.03	6.04	0.0	
Annual pay	Less than £10k	63	64	56	7.5	n.s.
	£10k-£20k	37	32	36	-4.0	
	£20k+	0	4	8	-3.5	
<i>Base</i>	<i>With earnings data</i>	66	160	127		
RTWC	No	76	70	97		
	Yes	24	30	3		
How likely would be in same job anyway?	Very/certain	38	56			

Table D.6 Survey of participants: Main job

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways	Comparator	Difference	Sign.
		%	%	%	pps	
	Fairly	39	20			
	Not very	10	12			
	Not at all	8	4			
	Definitely not	5	8			
<i>Base</i>	<i>Says receiving RTWC</i>	18	51	4		
Help and advice	From anyone?	59	56	31	25.0	***
	Jobcentre/NDPA/Job Broker	34	29	7	21.4	***
Effect	No difference	29	39	55	-16.0	
	Some difference	19	20	0	20.4	
	Large difference	52	41	45	-4.4	
<i>Base</i>	<i>Help from Jobcentre</i>	26	50	11		

Notes:

Stocks Already on a disability benefit at Pathways rollout date.

Flows New/repeat claim for disability benefit following Pathways rollout date.

pps Percentage points difference – Pathways flows compared to comparator flows.

Sign Significance of difference between Pathways flows and comparator flows for the relevant profile attribute - *** 1 per cent level;

** 5 per cent level; * 10 per cent level; n.s. Not significant.

1 Multiple response – sub-categories may add up to more than 100 per cent.

Job Search**Table D.7 Survey of participants: Job Search**

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways	Comparator	pps	
		%	%	%		
All		100	100	100		
<i>Base</i>	<i>All</i>	<i>300</i>	<i>600</i>	<i>600</i>		
Not currently in a job, not retired		72	69	73	-3.6	
Job lined up	No	97	91	93	-1.7	n.s.
	Yes, new	1	4	2	2.0	
	Previous, definite	0	3	2	0.9	
	Previous, maybe	2	2	3	-1.3	
<i>Base</i>	<i>Not currently in a job, not retired</i>	<i>214</i>	<i>409</i>	<i>432</i>		
Looking for work in last 12 weeks	No	78	77	72	4.7	n.s.
	Yes	22	23	28	-4.7	
<i>Base</i>	<i>No job lined up</i>	<i>207</i>	<i>373</i>	<i>402</i>		
Chances of getting job	Very good	3	12	3	9.0	*
	Fairly good	39	38	38	0.3	
	Fairly bad	45	31	40	-9.0	

Table D.7 Survey of participants: Job Search

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
	Very bad	13	19	19	-0.3	
<i>Base</i>	<i>Looking for work in last 12 weeks</i>	<i>46</i>	<i>86</i>	<i>112</i>		
Reason(s) not looking	Nothing	2	1	1	0.6	n.s.
	Own illness/disability	88	84	87	-2.8	
	Child's illness/disability	2	2	3	-1.0	
	Other person's illness/disability	5	3	3	0.6	
	No (appropriate) work available (in area)	0	0	1	-0.5	
	Don't have skills/qualifications	1	1	0	0.9	
	Doing training/education course	1	0	1	-0.4	
	Taking part in government scheme	0	0	0	-0.3	
	Waiting for NHS treatment/consultation	2	2	2	0.0	
	Better off not working	0	2	0	1.4	
	Too old to get a job/retired	1	1	1	0.2	
	Would be unable to pay rent/mortgage	0	0	0	0.0	
	Don't want to be apart from child/leave with anyone	3	2	2	0.5	

Table D.7 Survey of participants: Job Search

	Stocks	Flows	Comparator	Difference	Sign.	
	Pathways	Pathways	Comparator	Difference		
	%	%	%	pps		
	No (suitable/acceptable/affordable) childcare available	1	0	3	-2.5	
	Don't need to get a job/not interested in getting a job	0	0	0	0.3	
	I didn't want to co-operate with Jobcentre/Job Broker/etc. staff	0	0	0	0.0	
	Lack of confidence	2	1	1	-0.1	
	No reason	1	2	0	1.6	
	Other reason	7	10	5	4.6	
	Do not know	0	0	0	0.3	
	Mean number of reasons	1.16	1.13	1.09	0.0	
<i>Base</i>	<i>Not looking for work</i>	<i>161</i>	<i>287</i>	<i>290</i>		
When last actively looking	Within the last 3 months	4	4	3	1.3	n.s.
	Last 3-12 months	5	12	9	2.3	
	Last 1-2 years	9	14	12	1.6	
	More than 2 years ago	63	56	60	-3.8	
	Never looked for a job	19	15	16	-1.4	
<i>Base</i>	<i>Not looking for work</i>	<i>161</i>	<i>287</i>	<i>290</i>		

Table D.7 Survey of participants: Job Search

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
If available, like to have a paid job at the moment?	Yes	36	28	26	1.5	n.s.
	Yes, but health prevents that	47	58	55	3.1	
	No	16	15	19	-4.6	
<i>Base</i>	<i>Not looking for work</i>	<i>161</i>	<i>287</i>	<i>290</i>		
Expect to work within next five years?	No	43	33	29	3.5	n.s.
	Yes	57	67	71	-3.5	
<i>Base</i>	<i>No job lined up</i>	<i>207</i>	<i>373</i>	<i>402</i>		
When see self working again?	Within the next 3 months	14	17	19	-1.7	n.s.
	Within 3-12 months	19	26	20	6.2	
	More than 12 months	19	15	13	2.2	
	Don't know/depends	48	42	49	-6.7	
<i>Base</i>	<i>Expects to work next 5 years/Fairly certain or hopeful of returning to previous job</i>	<i>122</i>	<i>260</i>	<i>299</i>		
Would working	Yes, a lot better	26	20	21	-1.2	n.s.

Table D.7 Survey of participants: Job Search

	Stocks	Flows	Comparator	Difference	Sign.
	Pathways	Pathways	Comparator	Difference	
	%	%	%	pps	
make a difference to health?					
Yes, a little better	20	25	23	1.6	
Yes, a little worse	5	4	4	0.1	
Yes, a lot worse	4	8	7	1.7	
No, no effect on health	12	15	16	-1.1	
It depends e.g. on type of work	21	16	21	-5.0	
Don't know	13	12	9	3.9	
<i>Base</i>	<i>Expects to work next 5 years/Fairly certain or hopeful of returning to previous job</i>	122	260	299	

Notes:

Stocks Already on a disability benefit at Pathways rollout date.

Flows New/repeat claim for disability benefit following Pathways rollout date.

pps Percentage points difference – Pathways flows compared to comparator flows.

Sign Significance of difference between Pathways flows and comparator flows for the relevant profile attribute - *** 1 per cent level;

** 5 per cent level; * 10 per cent level; n.s. Not significant.

1 Multiple response – sub-categories may add up to more than 100 per cent.

Health and Disability

Table D.8 Survey of participants: Health and disability – self-reported

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways			
		%	%	%	pps	
Current health	Good/very good	19	27	27	-0.3	n.s.
	Fair	30	30	31	-1.4	
	Bad/very bad	50	43	41	1.7	
Trend (stocks: since go-live date; flows: since IB start date)	Getting better	20	24	23	1.7	n.s.
	Worse	27	24	26	-2.3	
	Same	27	25	25	-0.1	
	Changeable	26	26	26	0.2	
Health (stocks: at go-live date; flows: at IB start date)	Good/very good	12	18	19	-0.8	n.s.
	Fair	25	21	23	-2.9	
	Bad/very bad	63	60	57	3.4	
Current health problem affecting everyday activities	None	20	28	30	-1.7	n.s.
	Yes - not at all limiting	2	2	2	0.5	
	Yes - limits a little	4	6	5	1.1	
	Yes - limits to some extent	24	20	20	-0.2	
	Yes - limits a great deal	51	44	43	0.3	

Table D.8 Survey of participants: Health and disability – self-reported

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways			
		%	%	%	pps	
Health problem limits work can do	None	25	32	34	-1.6	n.s.
	Yes - not at all limiting	1	2	1	0.8	
	Yes - limits a little	3	5	5	0.3	
	Yes - limits to some extent	22	18	18	0.3	
	Yes - limits a great deal	49	43	43	0.1	
Health problem - current or since go-live date/IB start date	None	11	17	20	-2.4	n.s.
	Yes - not at all limiting	2	6	4	1.5	
	Yes - limits a little	6	8	7	0.6	
	Yes - limits to some extent	27	22	22	-0.5	
	Yes - limits a great deal	55	47	46	0.8	
Limits/limited work can do	None	18	26	28	-1.7	n.s.
	Yes - not at all limiting	1	3	1	1.7	
	Yes - limits a little	4	6	6	-0.2	
	Yes - limits to some extent	24	20	20	0.5	
	Yes - limits a great deal	53	45	45	-0.2	

Table D.8 Survey of participants: Health and disability – self-reported

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways	Comparator	Difference	Sign.
		%	%	%	pps	
Health conditions mentioned¹	None	11	17	20	-2.4	n.s.
	Chest/heart/internal	18	15	14	1.7	n.s.
	Pain/arms/hands/legs/feet/neck/back	43	44	44	0.0	n.s.
	Sight/hearing/speech	2	3	1	1.6	*
	Mental health/learning	7	4	3	1.8	*
	Stress/anxiety	41	32	29	2.8	n.s.
	Other condition(s)	15	14	14	0.4	n.s.
	Refused	4	2	2	0.5	n.s.
Base		300	600	600		

Notes:

Stocks Already on a disability benefit at Pathways rollout date.

Flows New/repeat claim for disability benefit following Pathways rollout date.

pps Percentage points difference – Pathways flows compared to comparator flows.

Sign Significance of difference between Pathways flows and comparator flows for the relevant profile attribute - *** 1 per cent level;

** 5 per cent level; * 10 per cent level. Otherwise, not significant.

1 Multiple responses allowed – sub-groups may sum to more than 100 per cent.

Table D.9 Survey of participants: Whether currently in work or job lined up by self-reported health and disability

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways			Sign.
		%	%	%	pps	
All		26	34	27	6.8	**
Current health	Good/very good	56	64	53	11.1	**
	Fair	37	37	32	4.9	
	Bad/very bad	7	12	6	6.5	**
Trend (stocks: since go-live date; flows: since IB start date)	Getting better	64	63	53	10.1	*
	Worse	5	9	8	0.6	
	Same	25	32	24	8.4	
	Changeable	20	30	26	4.4	
Health (stocks: at go-live date; flows: at IB start date)	Good/very good	30	33	30	2.7	
	Fair	31	39	26	12.7	**
	Bad/very bad	23	32	26	6.1	*
Current health problem affecting everyday activities	None	57	61	48	13.1	**
	Yes - not at all limiting	29	70	17	52.7	**
	Yes - limits a little	31	46	30	16.5	
	Yes - limits to some extent	33	27	33	-5.7	
	Yes - limits a great deal	10	15	9	5.8	**

Table D.9 Survey of participants: Whether currently in work or job lined up by self-reported health and disability

		Stocks	Flows	Comparator	Difference	Sign.
		Pathways	Pathways			
		%	%	%	pps	
Health problem limits work can do	None	51	60	45	14.8	***
	Yes - not at all limiting	0	63	19	44.0	*
	Yes - limits a little	29	45	28	16.7	
	Yes - limits to some extent	33	25	34	-8.7	
	Yes - limits a great deal	10	15	9	5.6	**
Health problem - current or since go-live date/IB start date	None	50	58	40	18.3	***
	Yes - not at all limiting	23	76	52	24.5	**
	Yes - limits a little	46	51	36	14.8	
	Yes - limits to some extent	38	28	37	-8.9	
	Yes - limits a great deal	13	19	13	6.4	**
Limits/limited work can do	None	44	59	42	17.4	***
	Yes - not at all limiting	0	72	31	41.2	*
	Yes - limits a little	45	52	34	17.8	
	Yes - limits to some extent	38	25	36	-10.5	*
	Yes - limits a great deal	13	18	13	5.1	*

Table D.9 Survey of participants: Whether currently in work or job lined up by self-reported health and disability

		Stocks	Flows	Comparator	Difference	
		Pathways	Pathways	Comparator	Difference	Sign.
		%	%	%	pps	
Health conditions mentioned¹	None	50	58	40	18.3	***
	Chest/heart/internal	19	27	22	5.4	
	Pain/arms/hands/legs/feet/neck/back	23	27	24	3.5	
	Sight/hearing/speech	16	20	33	-12.3	
	Mental health/learning	14	9	20	-11.0	
	Stress/anxiety	27	26	22	4.5	
	Other condition(s)	24	28	17	10.4	
	Refused	12	12	27	-15.3	
Base		300	600	600		

Notes:

Stocks Already on a disability benefit at Pathways rollout date.

Flows New/repeat claim for disability benefit following Pathways rollout date.

pps Percentage points difference – Pathways flows compared to comparator flows.

Sign Significance of difference between Pathways flows and comparator flows for the relevant profile attribute - *** 1 per cent level;

** 5 per cent level; * 10 per cent level. Otherwise, not significant.

1 Multiple responses allowed – sub-groups may sum to more than 100 per cent.

Take-up of Choices**Table D.10 Take-up of choices: Pathways flows – per cent of sub-group**

	CMP	WPP	RTWC	Any of those 3	JC services
	%	%	%	%	%
Gender	<i>n.s.</i>	*	<i>n.s.</i>	<i>n.s.</i>	*
Female	16	8	17	34	27
Male	17	13	14	35	34
Marital status	<i>n.s.</i>	***	<i>n.s.</i>	**	***
Single	18	19	15	41	42
Married/civil partnership	15	4	16	29	18
Separated/divorced/widowed	21	7	16	32	36
Caring responsibilities	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>
None	16	12	16	35	34
Child	15	7	15	31	26
Disabled/older person	25	18	13	45	25
Both	23	9	14	36	18
Religion	<i>n.s.</i>	*	<i>n.s.</i>	<i>n.s.</i>	<i>n.s.</i>
Catholic	15	12	16	34	31
Protestant	20	8	14	34	31
Other/none/refused	15	17	21	47	28
All	17	11	15	35	31

*** Significant at 99% ** 95% * 90%.

Source: Survey of participants.