

Money and Mental Health submission to the Department for Work & Pensions call for evidence and good practice on in-work progression

Introduction

The Money and Mental Health Policy Institute is a research charity, established in 2016 by Martin Lewis to break the link between financial difficulty and mental health problems. The Institute's research and policy work is informed by our Research Community, a group of 5,000 people with lived experience of mental health problems or of caring for someone who does.

This written submission has been informed by this powerful, lived experience testimony, as well as our wider body of research. Unless otherwise specified, all quotes in this response are drawn directly from our Research Community.

In submitting this response we are acutely aware of the current climate, and the impact that the coronavirus crisis is having on individuals. Over our first four years, issues with incomes, through the social security system and employment, have been amongst the topics most commonly raised by the Community. The pandemic is now placing further strains on those income sources, with looming redundancies and a 90% increase in the number of people on Universal Credit (UC) since the start of the crisis.¹ The pandemic, and the public health measures to contain it, are having a significant impact on the nation's mental health too. For people with existing mental health problems increased anxiety about their health and finances can exacerbate their difficulties.²

Against this backdrop, it is more urgent than ever that the labour market and benefits system work for everyone, including people experiencing mental health problems. This response therefore sets out the evidence from our research and policy work on the role of in-work progression for those already in the labour market, specifically, people experiencing mental health problems.

Our response covers questions 6, 7, i, ii and iii of the Department's call for evidence. In addition to this written response, we recommend that the Department reviews our report '*Mind the income gap*'³ which looks at how work and social security shape the incomes of people with mental health problems.

Summary

¹ Rightsnet. Number of people on universal credit has increased by more than 90 per cent since the beginning of the coronavirus pandemic. 10 November 2020.

² D'Arcy C. Money and Mental health at a time of crisis: a policy note. Money and Mental Health Policy Institute. 2020.

³ Bond N and D'Arcy C. Mind the income gap: How work and social security shape the incomes of people with mental health problems. Money and Mental Health Policy Institute. 2020.

- People with mental health problems face a significant and sustained income gap. Annual median income for people with common mental disorders like anxiety or depression is just over two-thirds (68%) that of people without those conditions, equivalent to a gap of £8,400
- People with mental health problems who are in employment are overrepresented in low-paying and part-time roles
- Social security is crucial for many people with mental health problems. People who reported having a mental health problem were more likely than the rest of the population to be claiming Universal Credit (UC)⁴
- Our research finds that people with mental health problems face barriers to progression due to conscious and unconscious bias. Discrimination at all stages of the employment journey, including recruitment, retention and development, limit the opportunities people with mental health problems have to progress
- Given the links between low wages and mental health problems, supporting people on low incomes to progress in work requires concerted effort by employers and government.

Q6. Women, young workers, older workers, ethnic minority background workers, and disabled workers are identified as most at risk of staying in low pay. What are the reasons for this?

People with mental health problems are overrepresented in low-paying jobs. More than one in three (37%) of those in work who have a mental health problem are in the three lowest-paying main occupational groups, compared to just over one in four (26%) of those who haven't had mental health problems.⁵ Our research has identified a number of systemic barriers they face to progression, which can mean people with mental health problems risk being stuck in low-paying roles.

People with mental health problems told us that they wanted to progress in work, and that opportunities for progression were important factors when seeking new employment. Of Research Community respondents with experience of looking for a job, three-quarters (76%) said opportunities for training and development were important to them,⁶ and half (49%) said opportunities for promotion were important to them too.⁷

⁴ Money and Mental Health analysis of ONS, Labour Force Survey, Q1 2018-Q4 2019

⁵ Bond N and D'Arcy C. Mind the income gap: How work and social security shape the incomes of people with mental health problems. Money and Mental Health Policy Institute. 2020.

⁶ Money and Mental Health Survey. Base for this question: 319 people with lived experience of mental health problems

⁷ Money and Mental Health Survey. Base for this question: 314 people with lived experience of mental health problems

While progression was clearly important for people with mental health problems, they told us of the systemic barriers they face - including discrimination, stigma and ignorance - which can make progression harder.

We have identified six key reasons why people with mental health problems are at risk of staying in low-paying jobs, and the barriers they face to progression.

1. **Job vacancies are often not advertised with flexible options**

People with mental health problems are overrepresented in part-time work. In 2018/19, over one third (37%) of people who had experienced mental health problems and were in work did so on a part-time basis, compared to 24% of the total population.⁸

People told us how tricky it was to manage their mental health and work needs, one of the ways people strike a better balance is to reduce the hours they work. This affords people more time to attend to their mental health, while also earning an income.

“Due to my mental health, I have had to reduce my hours down from 37.5 to 30 as I couldn’t cope working full time.” Expert by experience

Therefore, part-time work can be ideal for people who struggle with full-time roles. However, people can become trapped in low-quality part-time roles due to the small pool of well-paid part-time roles advertised.

Other Research Community members told us that traditional working patterns and hours often did not gel with their health needs. People described how working flexible or condensed hours or working from home was crucial to managing their mental health. When job ads do not specify that a role can be done flexibly, it can make the search for appropriate vacancies more difficult.

2. **Gaps in employment histories can be a barrier to progression**

For people whose mental health problems fluctuate, this can lead to periods in and out of work. Research Community members highlighted the difficulties this can present when applying for a new job.

“The biggest worry for me, when it came to applying for jobs, was the gap in my employment history that I had as a result of being unwell for such a long time. There needs to be better support and awareness of this impact because the prospect of having to explain that gap is quite overwhelming.” Expert by experience

⁸ Bond N and D’Arcy C. Mind the income gap: How work and social security shape the incomes of people with mental health problems. Money and Mental Health Policy Institute. 2020.

This can be particularly difficult in roles that receive many applications, highlighting gaps in employment history can be an ‘easy’ way to whittle down a field of candidates.

3. **Lack of certainty about prospective employers’ attitudes to mental health**

People with mental health problems often feel unable to move from their current employer, due to uncertainty about prospective employers’ attitudes to, and support for, people with mental health problems.

We found that, of people with experience of mental health problems when seeking employment, 94% thought it was important that a prospective employer understood mental health problems.⁹ A number of schemes exist for employers to sign up to and display in recruitment as evidence of their positive attitudes towards employing people with mental health problems (‘Mindful Employer’, Disability Confident, Mental Health and Wellbeing Standards). But these are voluntary schemes and there is no requirement for employers to evidence their commitment to positive recruitment practices when advertising vacancies.

Varying practices and views mean those seeking progression face huge uncertainty about prospective employers’ attitudes to mental health problems in the workplace. This can act as a barrier to changing employers.

‘I’ve been with my current employer for many years. They have paid for occupational health reports and therapy sessions. [Although] my job triggers my anxiety and depression I’m too frightened to work somewhere new in case I’m ill again as I’m protected in my current job. It’s a vicious circle.’ Expert by experience

4. **Employers are variable in their willingness to consider reasonable adjustment requests**

People whose mental health problems have a substantial and long-term effect on their day-to-day activities have a legal right to reasonable adjustments in the workplace. However, in a survey of people who had requested a reasonable adjustment to help manage their mental health problems, only half (51%) were granted all or some of their adjustment requests.¹⁰ The variation in responses from employers, between those willing to meaningfully consider adjustments and those who reject adjustment requests, was stark.

⁹ Money and Mental Health Survey. Base for this question: 330 people with lived experience of mental health problems

¹⁰ Money and Mental Health Survey. Base for this question: 198 people with lived experience of mental health problems



Furthermore, only one in four (25%) respondents said their employer was proactive in asking how they could support them to manage their mental health in the workplace.¹¹

“[My employer] was totally supportive, all my requests were met and I felt really valued as a staff member. I loved my work and had great freedom of creativity.” Expert by experience

Without appropriate and meaningful adjustments in the workplace, people can find it difficult to stay in a role long enough to develop new skills, raise their profile and progress.

5. Many employers still hold discriminatory attitudes about the capabilities and motivation of people with mental health problems

A survey by Rethink found that 83% of hiring managers would worry that someone living with a severe mental illness wouldn't be able to cope with the demands of the job.¹² These stigmatised assumptions can mean that people with mental health problems may be overlooked for recruiting or training and progression opportunities.

“When I hid my mental health issues I was well paid and had more chances for promotion and development. Since I have been open and honest about my mental health I have been expected to work harder in more junior, less well paid or secure roles, and made to feel grateful for the opportunity.” Expert by experience

6. Performance is measured based on limited performance indicators

People told us how they sought roles which allowed them not just to survive but to thrive too. They wanted opportunities to showcase their skills and abilities, but all too often, only traditional but incomplete measures of what a good employee 'looks like' were used, for instance those willing and able to work long hours.

“I need to feel that I am judged on my skills, results and competence rather than my hours worked, mental health issues and working patterns.” Expert by experience

Q7. Do positive role models and mentorships offer those in persistently low pay the confidence and support to seek a way out of low quality, low pay jobs?

We surveyed 384 Research Community members about their views and ideas on how employers could support people with mental health problems to increase their incomes. A recurring theme in their responses was a call for mentors in the workplace. Respondents spoke about having another person assigned by employers to support them in the workplace. The

¹¹ Money and Mental Health Survey. Base for this question: 197 people with lived experience of mental health problems

¹² Rethink Mental Illness. The Schizophrenia Commission Progress report: five years on. 2017.

mentor's role should focus on building confidence, identifying strengths and offering support and guidance with career progression.

"Provide mentors to help with confidence and support for additional training/upskilling." Expert by experience

Others talked about support of a different nature, where another employee was assigned to help them settle into an organisation, to help them understand organisational cultures and policies.

For people with mental health problems who are overrepresented in low-paid roles, mentors and buddies can act as a lifeline to people who may need support to settle into an organisation, or assistance to develop confidence and flourish.

Respondents told us that when mentoring was provided it was incredibly effective.

"[I] was struggling with my mental health a lot during my training which did slow down my progression due to concentration and time off. The mentoring I had helped me stay on track and push through so I didn't give up." Expert by experience

On the role of Jobcentres:

- i. **Could Jobcentres, in partnership with local authorities and other local agencies, play an enhanced role in supporting progression?**

This response answers points i, ii and iii

The in-work support delivered through Jobcentres is intended to help those on low incomes, whose wages are supplemented by the social security system, to become financially independent and progress in the workplace.¹³

Despite these aims, Research Community respondents have told us of their negative experiences of in-work support from the Jobcentre. They described a service which often feels unsupportive and punitive, and consequently can be ineffective and counterproductive to increasing their incomes in a sustainable way.

"I claim universal credit to supplement earned income so my claimant commitment is all about trying to find MORE work. I really struggled with this and it is a constant pressure as I don't feel that I am doing enough so I push more and more. I did not draw up my commitment with my work coach - I was told what my commitment had to be." Expert by experience

¹³ House of Commons. In-work progression in Universal Credit. Work and Pensions Committee. 2016

Jobcentres could play an enhanced role in in-work support. To do so, they should consider those groups who are overrepresented in low-paying roles, such as people with mental health problems, and tailor their support package to their needs.

For people with mental health problems, effective in-work support would require the design of services to be underpinned by a greater understanding of how people's employment and mental health needs interact. **The DWP should introduce specialist in-work mental health support coaches, who are equipped with the knowledge and skills to deliver support effectively.**

We identify three key ways specialist mental health work coaches could offer an enhanced service to people with mental health problems, and assist them with in-work progression.

1. Equip staff with the knowledge of the personal and structural barriers people with mental health problems face in progressing in work

The cognitive and psychological effects of many mental health problems can impact on people's motivation and ability to progress in work. Social anxieties and communication difficulties can mean communicating with others can be fraught with anxiety, which can make it difficult to put yourself forward for new opportunities. Depleted energy levels and motivation can make it hard to complete basic tasks, meaning undertaking additional tasks as a means of progressing can be impossible. The cognitive and psychological effects of mental health problems can also impact on people's sense of self and confidence. This can affect people's ability to function day-to-day, form working relationships and ultimately work and earn money.

"Regular and often long bouts of depression knocked my self-confidence so I never sought progression in work." Expert by experience

Jobcentre staff should be provided with training to understand these practical barriers, and tailor their in-work support accordingly. By engaging with people where they're at, in-work support can be genuinely tailored to people's needs.

Our response to Question 6 outlines the systemic barriers that people with mental health problems face to progressing in the labour market. In order to adequately support people, staff should be equipped with a sound understanding of these systemic barriers, and work with local partners and employers to address them.

2. Shift the focus of in-work progression for people with mental health problems from the number of hours worked to enhancing skills and confidence

People told us how in-work support primarily focused on increasing hours worked, which for people with mental health problems can be counterproductive or an

impossibility. This approach is at best unhelpful and at worst risks exacerbating mental health problems.

“It took a while to hammer home the message [to my work coach] that I was working part time because of my mental health and so I wasn't going to be looking for more work. Eventually they stopped bugging me and put very few requirements in my commitment.” Expert by experience

While the majority of people with mental health problems we spoke with told us they wanted to progress in employment, for others they made personal decisions to limit progression due to the impact of mental health problems. Many people with mental health problems are walking a fine line in managing their mental health and their income. Sufficient time off to recharge, recuperate and focus on their mental health is essential to their recovery and staying well. People often make difficult decisions to limit the number of hours they work in order to stay mentally well.

“I can not work full time as doing more than a couple hours work is so overwhelming and stressful to me, also I get tired quickly, over-think and ruminate and then become exhausted.” Expert by experience

In these instances, people told us how important it was that their decisions were respected, and their understanding of their own needs listened to.

“I have prior experience of being promoted at work, this was beneficial for my self-esteem and confidence levels. It made me feel that I was believed in, that my work ethic had been recognised, and that I was felt to be of benefit to my employer.” Expert by experience

In-work support which focuses on progression, either through upskilling, training or increasing hours - to the exclusion of understanding a person's holistic needs and circumstances - serves to erode people's confidence and exacerbate mental health problems.

“In my last job I was looking to train to be a manager but my mental health problems started and my confidence was shattered.” Expert by experience

If increasing hours is the primary focus of in-work support, and this is delivered at the exclusion of increasing skills and challenging workplace practices, it will continue to fail to meet the needs of people with mental health problems.

3. In-work support should expand its focus to retention as a route to progression



As a priority, in-work support should help employees with mental health problems to retain the jobs they have. Supporting employees and employers with retention is the first step to progression.

"I have never held down a job long enough to progress." Expert by experience

People with mental health problems are at increased risk of falling out of employment, in fact 300,000 people with mental health problems fall out of employment each year.¹⁴ These often avoidable job losses bring, along with significant financial costs to the business and the welfare system, devastating personal and financial costs to the individuals. Better workplace support on the part of employers could prevent huge numbers of job losses.¹⁵

"I find it hard to stay at work, as soon as depression creeps in, I usually end up being signed off, and eventually managed out." Expert by experience

"I cannot hold down a job for more than about 4 months before I have either a manic or depressive episode, which will cause me to lose the job, either through my behaviour while at work or not being able to get there." Expert by experience

People with mental health problems may require increased support, reasonable adjustment or time off, particularly during periods of poor mental health. People tell us that they often struggle to disclose the real reason for their absence to their employer due to stigma, or those who do are not aware of what reasonable adjustments they might be able to request, which may make the difference between them staying in work or not.

Other models of employment support, such as that offered through the Individual Placement Support (IPS) scheme for people with severe mental illness, recognise that placing people in jobs is only part of the solution. This support, available to both the employee and the employer, helps both parties to understand the needs and requirements of one another. IPS seeks to ensure that people are embedded and settled in a role and that any adjustments are considered and where reasonable put in place.

The Jobcentre could enhance its role in in-work support for people with mental health problems by supporting people to remain in work in the first instance. From here, people can be better placed and supported to pursue progression opportunities.

¹⁴ Farmer P and Stevenson D. Thriving at work: The Stevenson / Farmer review of mental health and employers. 2017

¹⁵ Farmer P and Stevenson D. Thriving at work: The Stevenson / Farmer review of mental health and employers. 2017

To deliver this, the Jobcentre should enhance its provision of in-work progression support by piloting a period of six months support post-job placement to assist people to remain in work and ultimately progress.

ii. How could they/partners build trusted relationships and high engagement with low paid workers?

Establishing trusted relationships requires fundamental reform of employment support services and the benefits system more broadly, which is beyond the remit of this consultation. However, the option outlined above would go some way to re-building relationships and encouraging higher engagement with low-paid workers with mental health problems.