

A million futures: halving the disability employment gap



Scope
About disability

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Foreword

Tens of millions of us wake up every morning and go out to work. Once in the office, the factory or the shop, we build relationships, contribute to the economy - and take home a pay packet.

Disabled people are already part of this picture. Nearly four million disabled people go to work every day. Nine in 10 of disabled people are in work or have worked in the past. Yet for too many, these opportunities are missing.

Disabled people are still too often seen as 'risky hires' and lose out on job opportunities in the towns and cities where they live. The support many need to find and secure work is not good enough. Once in work, there is little flexibility and it can be a struggle to keep a job. The impact of this is profound: only one in two disabled people are in work.

There is also a huge social and economic cost. The UK economy could grow by £13 billion if disabled people were included. Workplaces across the country could benefit from the skills, experience and unique perspectives disabled people bring.

The majority of disabled people can work and want to work. But without a step change in policy, practice and public attitudes, there will continue to be too few opportunities to achieve their aspirations.

Scope believes that with the right interventions, there are a million more disabled people who can and want to be in work. This report sets out the first steps towards making our vision a reality.

It sets out the challenges disabled people face in the workplace, the context of changing labour markets, and explores some of the challenges with the employment support system. Crucially, it sets out ambitious, realistic solutions to these challenges.

Yet without greater political ambition, these aspirations will continue to be just talking points. There is a General Election on the horizon, and a unique opportunity for the political parties to commit to making sure that as the economy begins to recover, disabled people are able to benefit.



Richard Hawkes
Chief Executive, Scope

Executive summary

Disabled people want the same opportunities to work as everyone else. 91% of disabled people are in work or have worked in the past.^[1] But too many disabled people remain out of the workplace, with the gap between disabled people's employment rate and the rest of the population remaining largely static at around 30%.^[2]

Not every disabled person should be expected to work – and everyone's contribution should be recognised regardless of whether they are working or not. But there is a vital economic case for acting to close this gap, which currently represents a difference of two million people.^[3] Social Market Foundation research has found that halving the gap and supporting one million more disabled people into work would boost the economy by £13 billion.^[4]

Closing the employment gap is also about raising disabled people's living standards. Being in work can be an essential part of achieving financial resilience,^[5] and a good standard of living is about more than just income.^[6] It also means being independent in the widest sense: having purpose, self-esteem, and the opportunity to build relationships.

Too many disabled people are still shut out of the workplace. New research to inform this report shows that for many disabled people, enormous challenges remain:

Disabled people experience a lack of support and adjustment to stay in work.

Last year alone, 429,000 disabled people fell out of work and into unemployment or inactivity.^[7] The human and economic cost of this is profound: 10% of unemployed disabled people have been out of work for five years or more, compared with 3% of non-disabled people.^[8] There is an urgent need to better support disabled people already in work to keep their jobs.

“I acquired my disability after an accident and after being made redundant I could not get another job despite being highly qualified and meeting all of the person specs for jobs I applied for.”

Elane, London^[9]

Changing labour markets undermine disabled people's opportunities to benefit from and contribute to growth.

Disabled people's employment rate is set to grow more slowly than the wider workforce. A regional focus on skills gives a unique opportunity for disabled people to connect to growth: nearly two and a half million disabled people live in areas covered by the new City Deals, with more than a million out of work.^[10]

“I've come across disabled people [where I work] who maybe feel that they've made five hundred applications and still been turned down for a job. People do want to work, but if you can't get your foot in the door because employers think it will be too expensive, too difficult, too challenging, that there's no help for them, it's not going to motivate [employers] to employ [disabled people].”

John, Ardrossan^[11]

More disabled people are in the labour market than ever before.

Since 2008, reforms to Incapacity Benefit means 650,000 more disabled people are now expected to seek work or risk losing their benefits.^[12] Since October 2012, at least 120,000 disabled people have been sanctioned in the benefits system.^[13] Yet existing support to find work is yet to be effective –

job outcomes on the Work Programme remain low at 5%.^[14]

“I am fully aware of what I am not capable of, but I have no idea what I am capable of.”

Justin, Newcastle-Upon-Tyne^[15]

Government responses to the challenges disabled people face have focused on 'pushing' disabled people out of the benefits system, or creating expensive employment programmes. Yet for disabled people, the biggest challenges lie elsewhere: in the availability of jobs in their area, in the flexibility and inclusiveness of the workplace, and in the control they have over their own careers.

This report sets out a new vision for how to support disabled people to access more and better job opportunities. No single solution can improve disabled people's working lives. Instead, there has to be a broad and overlapping focus on jobs, the workplace, and on the type of support disabled people receive.

The task of reducing the employment gap is not easy, and will require substantial commitment from Government, employers, the voluntary sector and Disabled People's Organisations (DPOs). But as the economy returns to growth, it is vital that we take the opportunity to ensure that disabled people can contribute and benefit from the recovery.

Recommendations

Flexible workplaces

The Government should work with employers, charities and Disabled People's Organisations (DPOs) to create more inclusive workplaces, by:

- Creating a new, more flexible form of adjustment leave to give disabled people greater control over their working lives.
- Show leadership in improving employer attitudes towards disabled people, building on and extending the Disability Confident initiative.

Jobs

The Government should ensure that disabled people are connected to growth. To do this:

- The next Government should make a new funding stream available for City Deals that incentivises job creation programmes based on disabled people's employment outcomes.
- The next Government should establish a national What Works centre and network of good practice in employment support, to support civil servants and City Region boards to develop proposals and programmes to support disabled people into work.
- Local Authorities and City Deals should create mechanisms to engage with third sector organisations and DPOs. This should focus on 'bridging' employment support with the wider ongoing support needs a disabled person might have.
- Skills Boards and City Regions should develop better labour market intelligence about disabled people in the local economy.
- In the interim, the current Government should explore whether trial areas for the Universal Credit Local Support Services Frameworks could offer an existing network of local and regional partnerships for regional disability programmes to engage with, such as through the City Deals.

Support

The Government should ensure that all disabled people receive effective, personalised support to find, stay in and progress in work.

To do this:

- The next Government should introduce large-scale pilots of the use of personal budgets in employment support, preferably applying Randomised Control Trial (RCT) methodologies to the evaluation.
- The next Government should set up a national board to drive forward the personalisation agenda in employment support, modelled on the Think Local, Act Personal partnership.
- The next Government should develop a revised national commissioning strategy that creates the framework for the transition to personal budgets.
- The next Government should intervene to open up the market in employment support by setting aside a dedicated innovation fund for Disabled People's Organisations.
- All political parties should set out in manifestos the principles and approaches of how they will reform the Work Capability Assessment as a priority in the next Parliament.
- The Government should invest in expanding the network of specialist employment advisors for disabled people.

Chapter one: Flexible workplaces



Disabled people can thrive at work with the right support in place. 91% of disabled people are in work or have worked in the past.^[16] Yet too often disabled people lack support to remain in the workplace. This is an urgent challenge. 429,000 disabled people in the last year alone

moved from work to unemployment or inactivity.^[17] Once out of work, the human and economic costs are profound: 10% of unemployed disabled people have been out of work for five years or more, compared with just 3% of the non-disabled population.^[18]

Disabled people are struggling to keep their jobs

“I, like thousands of others, fall into the grey area of too disabled to hold down a job without health implications yet not disabled enough to get help from the Government. I have applied for over 40 jobs since becoming visually impaired but with so many people applying for every job vacancy, why would someone adapt the workplace for a disabled employee when they have so many other able-bodied applicants?”

Sarah, Isle of Wight^[19]

There are nearly four million disabled people working in the UK.^[20] Yet new Scope research shows that last year, 429,000 disabled people fell out of work, and only 207,000 disabled people moved into work. This means that 220,000 more disabled people left work than moved into it.^[21] By contrast, the movement amongst the rest of the population is overwhelmingly in the other direction: 560,000 more non-disabled people found work than became unemployed or inactive.^[22]

“I acquired my disability after an accident and after being made redundant I could not get another job despite being highly qualified and meeting all of the person specs for jobs I applied for.”

Elane, London^[23]

The impact of this on disabled people is profound. Once out of the workplace, disabled people can find it much more difficult to return. 10% of unemployed disabled people have been out of work for five years or more, compared with just 3% of the non-disabled population.^[24]

“It’s very difficult to get back into work after a long period of not working and employers have been judgemental about my mental health problems.”

Heidi, Congleton^[25]

Scope’s research sought to explore why staying in work can be so challenging for disabled people. Disabled people told us that one of the most important issues for them is ensuring that the workplace is flexible and adaptable enough to accommodate any changes in their circumstances. 48% of disabled people who responded to Scope’s survey^[26] said they would benefit from modified hours in the workplace – a finding supported by other research.^[27]

**Last year,
220,000 more
disabled people left
employment than
moved into it.** ^[21]

In interviews, disabled people told us that a key challenge is the lack of flexibility around the use of sickness absence. Many disabled people would benefit from short periods of time working reduced hours to manage changes in their lives related to their disability, or to manage a fluctuating condition, or to recover from treatment.”. Often, disabled employees want to remain in work – and could do so with the necessary adjustments. But there is currently too little flexibility to put these adjustments in place, leaving disabled people to rely unnecessarily on full-time sick leave – despite wanting to remain in or return to work. As a result, disabled people account for 60% of those on long term sick leave.^[28]

“I fell ill after having been disabled for some years during which time I was on long term sick leave. It was at this point my former employer started treating me as a nuisance. I did not get any modifications to working hours or facilities when I returned and needed them, but [instead] ended up being made ‘redundant’ on the basis that I was unable to do my job anymore.”

Kate, West Midlands^[29]

Scope’s qualitative research shows that for many, sickness absence is not the right option and can lead people to fall out of work unnecessarily. Many disabled people want to work full time, but may be unable to for short periods of time. This could be for a range of reasons, and might include needing to have an operation, regular treatments and associated recovery times; or because a fluctuating condition temporarily makes it difficult to work full-time.

The lack of flexibility within sick leave is also problematic for employers, who lose the productivity, networks and considerable experience that disabled employees bring. Government also lose out, both in having to cover the costs of statutory sick pay and unemployment benefits.

Jane's story

"I'd been off work for nine months with the effects of metal poisoning from a hip replacement. It was having physical and neurological effects and I was on various drugs that prevented me from working.

I'd been on sick on various occasions, culminating in that nine months. At the start when I had an operation it was six weeks off work maximum, but every time it happened the periods that I had to have off for recovery got longer and longer.

My employers were never the best people at dealing with this sort of thing, and they started giving other people my jobs to do.

I never had a programme to help me get back in by taking on duties one by one, or any sort of flexibility.

I'd been operating at a very high level for a long time – I'd been there for 18 years – and they knew that I was an excellent employee, but all of a sudden I was treated as a problem, a hindrance and awkward.

If I'd been given the opportunity, I could have sat down with them and said 'Look, this is what I'm capable of doing, this is what would help me get back into the workplace.'

But my job was eroded until it became more and more diluted. I had the ability to do my job taken away from me.

In the end, my director came to me and said 'Look, there's a redundancy package for you'. I ended up taking the package, because I really didn't feel I had a lot of alternatives.

Since then I've been making ends meet by selling diet products while I look for a job. It's not something I want to be for the rest of my life.

I'm finding it very difficult to get proper work otherwise. I've applied for hundreds of jobs.

I still had a voice and a brain – I just didn't have working legs and the ability to write because of my neurological symptoms. They didn't value me for the other things I could do."

Government policy must support disabled people to keep their jobs

Disabled people report that the single most important factor in creating inclusive workplaces is having flexibility in their working time and practices. 21% of working disabled people say that modified hours have enabled them to stay in work; 36% of those out of work say they would need modified working hours or days, or the option to work part-time, to be able to work.^[30]

The Government has made progress in this area, with the extension of the ‘right to request’ flexible working. Yet for a significant number of disabled people – and others – there remains a need for a new option to take a temporary or short-term period of leave to manage changes in their lives.

Recommendation

To resolve this issue, the Government should introduce a new, more flexible approach to leave policies through the introduction of a new type of adjustment leave.

Adjustment leave would allow all employees, including disabled people, **the option to take a time-limited period of leave on a part-time basis**. If an employee needs a period of time off work, for instance to attend a series of medical appointments,

they could have the option to take two days off a week – while continuing to work on their full-time contracts for the rest of the week. This approach builds on international evidence about the use of part-time sick leave models.^[31]

This new form of leave would benefit disabled people, employers and the Government:

Benefits of adjustment leave to disabled people

The benefits to disabled people are twofold. Firstly, it can enable a disabled person continue to work even during a difficult period, by providing more flexibility over working hours. The binary distinction in current sick leave policy between ‘sickness’ and ‘health’ does not reflect the reality of many disabled people’s lives. Having the option to take a time-limited period of part-time leave would enable many disabled people to put in place the necessary support, and be able to return to work full-time.

“Any time off I take is now very closely monitored and I constantly have to justify myself. The onus is very much on me to find a solution and I am facing a lot of pressure to reduce hours as a means of managing flare ups. Of course, this means that during periods when the pain is not as bad, I am under employed. This makes me feel useless and undervalued.”
Jamie, Dunbar^[32]

Secondly, as Macmillan and Demos have pointed out, similar leave models can act as a form of financial protection for disabled people.^[33] During a period on full-time sick leave disabled people experience a substantial drop in income. A part-time sick leave model would alleviate this because the employee retains part of their full-time earnings. Part-time sick leave can also reduce the likelihood of moving onto unemployment benefits – which also has a major impact on income.^[34]

Benefits of adjustment leave to employers

Adjustment leave can save employers money. International evidence shows that adjustment leave models can lead to significant reductions in the number of people falling out of work. In Finland, a Randomised Control Trial found that

compared to full-time sick leave, a part-time model^[35]:

- Reduced the average length of time off work from 20 days to 12 days;
- Reduced total sickness absence by 20%;
- Reduced the risk of someone moving onto ‘disability pension’ (roughly equivalent to Employment and Support Allowance) by 6%.

With enough flexibility in the policy, this will reduce costs for employers by allowing them to retain productivity compared to having a staff member on sick leave, retain employees’ networks and experience, and reduce the number of staff moving onto full time sick leave.

Adjustment leave should be one of many possible adjustments that could be made for a disabled person to stay in work – which is why the model should be time-limited. For a disabled person with an on-going need for periods of time off, a standard part-time or other flexible working model may be more appropriate – and more cost-neutral for an employer. However, there is a clear need for a new way for employees to manage a temporary change in their situation.

Benefits of adjustment leave to Government

Currently, the vast majority of Government spending on employment related policies goes to large, expensive but currently ineffective employment support programmes. Redirecting this spending towards policies and programmes that can support disabled people to remain in their jobs would be a more effective use of resources.

Supporting people to remain in work will become even more important as the workforce becomes older. Demographic changes mean that there are increasing numbers of disabled people of working age – which makes the drive to create inclusive workplaces even more vital.

By 2035, the Office for National Statistics (ONS) predicts that older people will account for 23% of the population compared with 17% in 2010, with over a third of the workforce aged 50+ by 2020.^[37] This is a major driver behind the need to have more inclusive workplaces as more than half of the over-50s workforce will have disability or impairment.^[38]

48% of disabled people said they would benefit from flexible working.

Chapter two: Jobs



As the economy recovers, it is vital that disabled people can take advantage of new jobs being created. Yet changes to the structure of the labour market undermine this opportunity. Trends in the kinds of jobs being created could mean disabled people's employment rate will grow more slowly than the wider workforce, increasing the employment gap across the

country. Ensuring that disabled people are better able to access the jobs of the future should be a policy priority for the next Parliament.

Changing labour markets

One of the most widely recognised trends in the current labour market is the shift towards a significantly more polarised labour market – something of

concern to everyone from the Department of Business, Innovation and Skills to the Trades Union Council (TUC)^[39] to the Department for Business, Innovation and Skills.^[40] This means that the majority of jobs are being created at the “top” – in well-paid, senior occupations – or at the bottom, in low-paid and insecure jobs. Jobs in the middle tier of the labour market are seeing much slower growth – if not an outright decline in numbers.

Analysis by the Work Foundation shows that more than three-quarters of the jobs created between 2001 and 2007 were managerial, professional and technical jobs.^[41] Other studies have confirmed that this trend has intensified during the recession. The Resolution Foundation points out that both ends of the labour market increased their share of total jobs during the recession between 2008 and 2012.^[42]

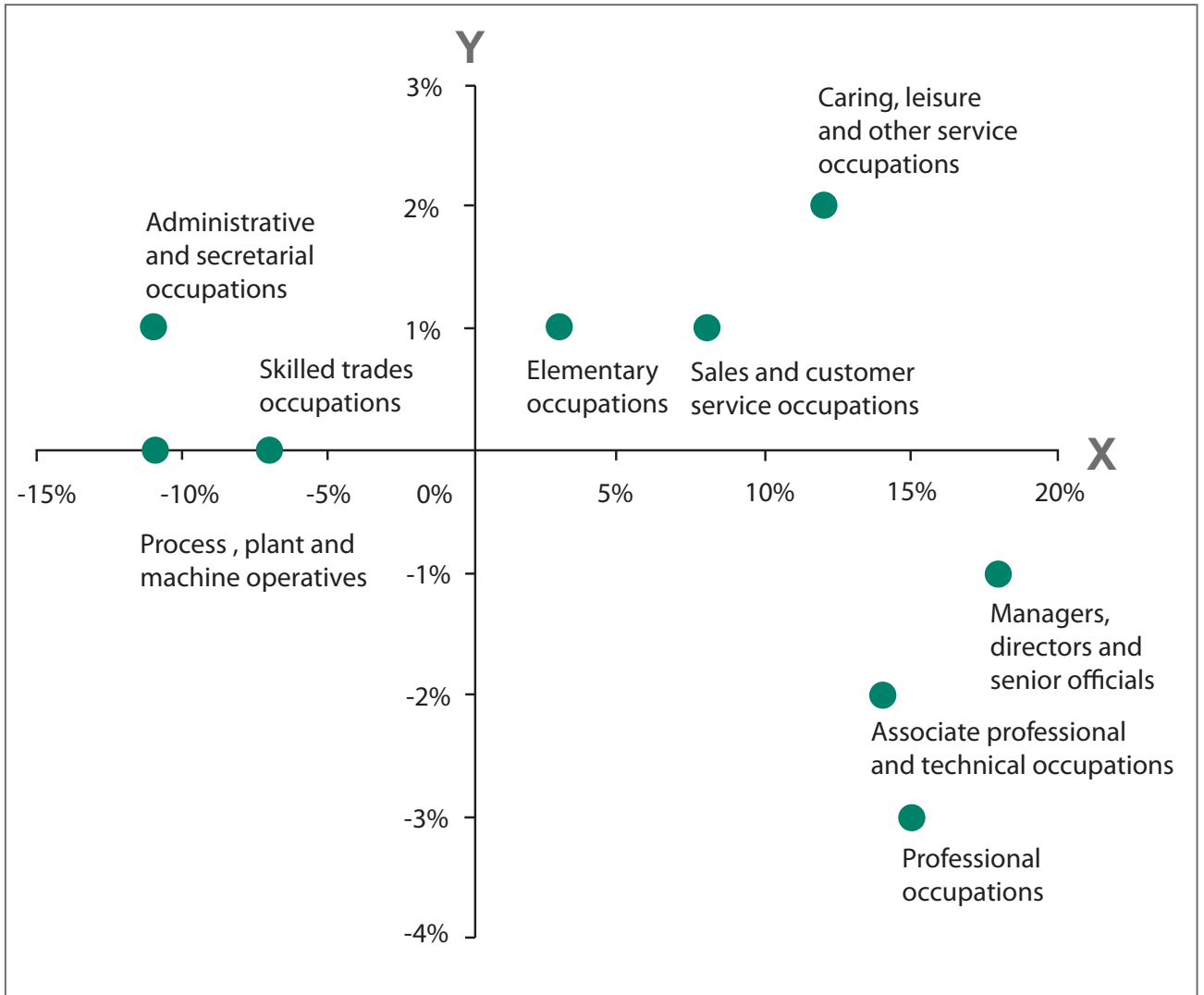
Even as the economy returns to growth, this uneven shift in the labour market looks set to continue. The UK Commission on Employment and Skills Working Futures study shows that by 2022 there will be a net increase in job creation at the top and bottom of the labour market, but a net fall in jobs in the middle tier.^[43]

What does this mean for disabled people?

These changes undermine disabled people’s opportunity to contribute to the recovery. Table one shows the types of occupation where disabled people are currently employed, compared with their non-disabled peers.

This shows that in the higher level occupations which are expected to grow, such as professional or managerial occupations, disabled people are under-represented; but they are over-represented in occupations where the number of jobs is projected to fall. Unless there is a shift in the occupational profile of disabled people between now and 2020, disabled peoples employment will grow more slowly than non-disabled people’s employment, widening the employment gap across the country (see chart one).

Figure 1^[44] : Proportion of disabled people in work by occupation group.



Y – Employment gap by occupation

X – Projected change in occupation by 2020

The only occupations which buck this trend are service, sales and elementary jobs, where disabled people are both over-represented and jobs are expected to be created. Yet there are not nearly enough jobs in these sectors alone to account for the number of jobs required to support more disabled people into work. These sectors are also typically poorly paid, which would undermine the potential of work to improve disabled people's living standards.

A second challenge for disabled people is the declining growth in public sector organisations, where some disabled people can find it easier to find work.^[45] An Institute for Fiscal Studies analysis of Government data shows that there is projected to be a fall of 1.1 million jobs in the public sector between 2010 / 11 and 2017 / 17 – a drop of up to 40%.^[46] This will affect disabled people, who make up 13% of the public sector workforce, compared with 11% of the private sector workforce.^[47]

Berthoud (2011) found an important correlation between the employment rate gap and the overall level of employment in a given area. This is particularly marked in the public sector which implies the need for a regional approach to addressing employment issues for disabled people.

**In 2012-13,
four in 10 in work
had been with the
same employer for
ten years or more.**

This mismatch between occupations and jobs growth is exacerbated by how difficult disabled people find it to move between jobs. Scope analysis of the Labour Force Survey shows that disabled people are considerably more likely to have remained with the same employer for 10 years or more. In 2012-2013, 39% of disabled employed people had been employed continuously for the same employer for 10 years or more, compared with 31% of non-disabled people.^[48]

This can be seen as positive for employers, who are able to employ disabled people with an understanding that they will be 'loyal' members of staff. But being less likely to move jobs could also undermine disabled people's opportunity to progress. It also implies that any policy interventions that attempt to resolve the mismatch between occupations and jobs growth need to look beyond skills, and seek to address the barriers that disabled people face in moving between jobs and climbing progression ladders.

Government policy must ensure disabled people can benefit from growth

Changes in the labour market are undermining disabled people's opportunities to benefit from growth. For work to act as a route to higher living standards

for disabled people, the Government has to intervene to ensure that disabled people are able to benefit from new jobs.

The Coalition's new programme of City Deals is an opportunity to making this happen. By devolving powers and funding to cities and city regions, these 'bespoke' regional growth strategies are uniquely placed to ensure that particular groups can benefit from job creation.

This principle was established last year, when the Government announced a £50 million 'youth contract for cities', which aims to incentivise cities to support up to 25,000 young people into work over the next three years.^[49]

How can City Deals benefit disabled people?

1. Disabled people's employment rate varies regionally

One of the biggest opportunities within the City Deals structure is the ability to link skills training with demand for jobs in the local economy, closing the 'skills gap' between priorities for local business and training available to the workforce. Particularly through the emerging Skills Boards, policy-makers are able to work with businesses to identify future demands for skills and labour in a particular area.

One of the key advantages of the City Deals is that they can target these new areas of demand to particular disadvantaged groups – and this could include disabled people. As such, City Deals offer a key opportunity to connect disabled people’s employment outcomes with the priorities for growth and job creation in a given area.

2. Connecting disabled people to growing sectors of the economy

2.4 million disabled people live in the areas covered by the City Deals, of whom 1.4 million are not in work.^[50] But employment rates vary significantly across the country. Particularly in areas of the north and midlands, there is a higher incidence of particular conditions and impairments^[51] – something which has been linked to the impact of long-term unemployment in those areas.^[52]

There is also evidence to suggest that areas with high rates of unemployment are more likely to feature a higher proportion of the population reporting impairments or poor health.^[53]

Addressing unemployment regionally, and providing better support to disabled people is therefore an integral part of regeneration and growth strategies.

3. City Deals allow for innovative approaches to creating jobs for disabled people

A key objective of the City Deals is to reduce long-term unemployment. Policy-makers are able to use the City Deals framework to develop and deliver bespoke interventions targeted to specific features of the local economy.

It is vital that this mandate is used to create innovative links between demand for skills and support for disabled people – not just to replicate existing provision, or develop new welfare-to-work schemes.

The creation of Skills Boards as part of the City Deals infrastructure should help to bring together skills needs with colleges and providers – but making these links effective will be essential.

4. City Deals can bring together new partnerships to create better outcomes for disabled people

Disabled people looking for work rely on having a wide range of other support services in place to enable successful careers, which can include housing, social care, welfare advice and potentially other support such as childcare. City Deals offer the opportunity to link some of these services in a new way, and to co-ordinate activity towards

broader goals including employment.

These types of partnership are already happening – but it's vital that City Deals agencies understand the challenges disabled people face if they are to reduce unemployment in their area. For many disabled people, there are a wide range of barriers to employment and any effective employment strategy – regional or otherwise – needs to ensure that there is support in place to address these barriers.

To do this, DPO's and representatives should be involved in developing and implementing the City Deals. . These groups can bring a unique perspective to discussions and help identify where there are not enough existing jobs and services in an area.

Recommendations:

- The next Government should make a new funding stream available for City Deals through the Cabinet Office that incentivises job creation programmes based on disabled people's employment outcomes. The funding mechanism should be decided in partnership with individual City Deals.
- In addition to collating economic data, wherever possible Skills Boards and City Regions should

develop better labour market intelligence about disabled people in the local economy.

- The next Government should establish a national What Works centre and network of good practice in employment support, to support civil servants and City Region boards to develop proposals and programmes to support disabled people into work.
- In the interim, the current Government should explore whether trial areas for the Universal Credit Local Support Services Frameworks could offer an existing network of local and regional partnerships for regional disability programmes to engage with, such as through the City Deals.
- Local Authorities and City Deals should create mechanisms to engage with third sector organisations and Disabled People's Organisations. This should focus on 'bridging' employment support with disabled people's wider support needs.

Chapter three: Support



Reforms to Incapacity Benefit mean that since 2008 at least 650,000 more disabled people are now expected to seek work. However disabled people's aspirations to work and the new requirements of the benefits system are not being matched by effective support to find work.^[54] To stop welfare reforms undermining disabled people's living standards, the support available to disabled people to find, remain in and progress in work must be more effective.

Employment support can be vital for disabled people

Employment support means any services provided for disabled people to overcome the barriers

to finding and staying in work, and to help employers adjust their workplaces and working practices.

The kind of support or adjustment a disabled person might need to find work can vary considerably. Support needs can vary from person to person, depending on the condition or impairment they have. They can vary over time; with many disabled people's conditions fluctuating and changing sometimes even on a daily basis.

Most importantly, disabled people should be able to change to jobs and progress in the workplace without losing the support that they have put in

Examples of employment support needs

Disability-specific support needs

Recurring

- Support worker
- Taxis due to inaccessible transport
- Social care
- Awareness training for other staff and managers
- British Sign Language (BSL) interpreters

One-off

- Disability-specific building modifications, such as widened corridors
- Bespoke office equipment such as chairs or desks
- Housing advice
- Specialist IT equipment (for example, screen readers)

General needs, but disabled people are more likely to need

Recurring

- Flexible working
- Modified hours
- Adjustment leave
- Caring responsibilities
- Welfare advice
- Debt advice

One-off

- General building modifications, such as a new lift
- Jobsearch

General

Recurring

- Childcare
- Information and advice
- Mentoring
- Professional skills training

One-off

- Skills training
- Vocational skills training
- Interview preparation
- Careers advice
- Job coaching

place. All of this means that the challenge of providing effective employment support cannot be met within a uniform type of provision (see page 23 for an overview of different types of support needs a disabled person may have).

“There’s so much to deal with as a disabled person. A lot of the time you are on your own dealing with these issues and explaining and educating people how to get round them.”

Gavin, Nottingham^[55]

Employment support is an absolutely vital part of ensuring that as many disabled people as possible are able to work. In the context of recent welfare reforms, this is even more important, as disabled people on Incapacity Benefit are ‘migrated’ onto Employment Support Allowance (ESA).

**Since 2008,
650,000 more
disabled people are
now expected to
seek work.**

Scope analysis of Department of Work and Pensions statistics shows that since 2008, as many as 654,000^[56] disabled people who were not previously expected to find work are now required to do so – 64% of those who have gone through the reassessment.^[57] Despite having been assessed as ‘fit for work’ through the Work Capability Assessment (WCA), this group of people are likely to have complex support needs, and may have been out of work for a long time.

For many disabled people, decisions around ‘fitness for work’ are simply inaccurate. The WCA fails to account for the wide-ranging social and environmental barriers that disabled people face trying to find work, so it is questionable how useful this judgment is.

The introduction and tightening of the conditions placed on disabled people to find work means that being found fit for work can have a drastic material impact on disabled people’s living standards. Since November 2012, 120,000 disabled people have had their benefits suspended.^[58] It is vital that disabled people are fully and effectively supported to find work without being penalised through inappropriate use of sanctions.

But employment support is not yet working for disabled people

Despite growing numbers of disabled people requiring support to find work, the services that are available to them are yet to deliver effective, personalised support. Currently, they are limited to receiving support from just three places in the system: Work Choice, the Work Programme, or from other locally commissioned support.

Jobcentre Plus (JCP) do not have enough specialist resource to effectively support disabled people. A recent inquiry by the Work and Pensions Select Committee found that there is only one specialist advisor to every 600 jobseekers on ESA, compared with one advisor to every 140 JSA claimants.^[59] Scope's experience of delivering Work Choice also highlights that JCP advisors often lack specialist knowledge of disabled people's support needs, with a lot of uncertainty about what support is available in their local area.

In Jobcentre Plus, there is only one specialist adviser for every 600 disabled jobseekers.

“They’ve got no suggestions for me when I go in [to JobcentrePlus]. They’re amazed that I can actually find it. They hark on about “Oh it’s fantastic you get here on your own!”, and I print out my report where I’ve been looking for my jobs on the internet and all the jobs I’ve applied for and take it in. And they go, “Oh, we can keep this?” And I said, “Yeah, yeah. I’ve got it on my computer at home.”; “Oh you’ve got a computer! Oh wow!” It’s the amazement that you actually do something on your own.”

Gavin, Nottingham^[60]

The Work Programme is not working for disabled people. The ‘job outcomes’ rate of less than 5% is significantly below that for other groups, and is lower than DWP expected.^[61] This has remained broadly stable for almost the entire lifetime of the programme. Without substantial policy changes, it seems unlikely that support for disabled people will improve.

Work Choice is a separate programme intended to provide specialist support to disabled people with complex needs. Yet there are considerable problems with ensuring that the right support is going to the right people. Currently, only 16% of Work Choice customers are on ESA – suggesting serious issues

with the way individuals support needs are being assessed.^[62] In 33% of cases – 24,550 referrals overall – the customer's impairment or condition was missing or unknown, reflecting serious concerns about the assessment and information sharing process.

Employment support should become more personalised

There are three priority areas that should be addressed to improve employment support for disabled people: accelerate progress towards personal budgets in employment; create a more personalised support assessment; and shape the market to capacity build smaller specialist providers.

1. Introduce personal employment budgets

The priority for any redesign of the employment support system should be a dramatic increase in the level of personalised support available to disabled people. To do this, the next Government should accelerate progress towards introducing personal budgets into employment support. Personal budgets can:

- Empower disabled people to increase choice and control over their careers by enabling them to decide what support they need to meet their own career aspirations.
- Remove bureaucracy from the employment support system. Many disabled people report finding the current employment support system remote and difficult to access. A single, portable budget with a clearly defined and agreed support plan could reduce the need to continually reapply for support.
- Create greater flexibility in the type of employment support available. Disabled people report facing barriers not currently addressed in the system, as set out in page 23.
- Smooth the transition for disabled people moving from unemployment into work, and from one job to another. Starting work can be made much more difficult for disabled people by having to apply for separate support at each stage.
- Provide greater flexibility and reassurance to employers by having a single personal budget for employment support that is available both pre- and during-employment. This could help disabled people guarantee to employers that the adjustments that they require (or be perceived to require) are covered by the financial support that they already have in place.
- Allow disabled people to access employment support at any point in their career, not just during a period of unemployment. 80%

of disabled people are in work when they acquire a condition or impairment.^[63] Providing support for them and their employers to make necessary adjustments during this period of change is vital.

There is already evidence showing how personal budgets could work in practice, including international examples^[64], and the considerable lessons learnt from the introduction of personal budgets in social care.

These include:

An individual should have a person-centred support assessment, carried out by a trained specialist advisor. This assessment should be available at different points in a disabled person's career, not just when they are unemployed.

Following the assessment, the financial level of support a person can receive will be determined, and a range of activities decided in partnership between the advisor and the disabled person that they can use to either i) find and prepare for work, or ii) adjust the workplace to keep their job.

Where an individual is a job seeker, a 'Return to Work Plan' will form the basis of accountability for the disabled person to carry out certain activities to replace current blanket conditions and sanctions

for non-compliance, and to ensure the budget is spent as agreed.

Different payment options should be available to the disabled person, including a Direct Payment and a managed budget.

However, there are still key challenges in introducing Personal Employment Budgets, notably around the local market of support available to disabled people. As such, there is a clear role for a new market-shaping body, separate from DWP, to oversee the introduction of personalisation into employment support.

2. Create a more personalised assessment

The Work Capability Assessment is no longer fit for purpose. Evidence from Disabled People's Organisations^[65], official reviews^[66] and consultations, frequent media reports^[67] and MPs' own correspondence^[68] all highlight the significant personal harm that is being caused by disabled people being found fit for work inappropriately. Over 80% of respondents to a recent Disability Benefits Consortium (DBC) survey either strongly agreed or agreed that the stress of the WCA had made their condition or impairment worse.

At the heart of the failure of the assessment is a debate about

what it may mean to be ‘fit for work’. Scope does not believe that fitness for work as defined in the WCA bears any relation to disabled people’s experience of trying to find and remain in work, for two reasons.

Firstly, the WCA does not capture the wide-ranging barriers disabled people experience in the labour market and at work; it has been designed to measure fitness for work against a series of medical descriptors. Disabled people that Scope works with consistently report that the barriers to work they face are far broader than the impact of the medical aspect of their condition or impairment.^[69]

This is underlined by the views of Work Programme and Work Choice providers, who have repeatedly argued that WCA outcomes are moving customers onto those programmes who should not be expected to find work.^[70]

Secondly, once the assessment is complete, disabled people are placed in different benefit and support groups with set thresholds, which determine both the type and extent of support available to find work, and the level of sanctions they will receive if they fail to meet these requirements.

In Scope’s view these thresholds are arbitrary and unhelpful. They bear no relation to the level of support needs a disabled person might have, since the decision to be placed within a given threshold is based solely on the WCA which does not assess support needs.

The Government should replace the WCA with a new ‘Distance from Work Assessment’.

This is in order to achieve two key changes:

- To ensure that all of the social and environmental barriers to work that disabled people experience are considered as part of the assessment;
- To assess disabled people’s support needs rather than medical capacity, and provide greater choice and control over the support they receive.

To achieve this, Scope has developed a set of ‘principles for reform’ that should be used to inform the development of the new ‘Distance from Work Assessment’:

- a. **Long-term focus:** Disabled people may require employment support even after finding a job (such as payment for adjustments, support workers or transport). The assessment for employment support should therefore be available at any

point during a disabled person's career – not just when they are out of work.

b. **Distance to work approach:** Disabled people's employment support needs are broader than medical capacity, which should be reflected in assessments and support.

c. **More nuanced assessment outcomes:** The outcome of the WCA determines the level of benefit a disabled person receives – but the 'group' they are placed in also affects the type and level of employment support they receive. However,

benefit type is not an effective proxy for employment support needs. The new employment support assessment should therefore create a new way of defining eligibility for employment support, that is more nuanced than simply 'fit for work' or not.

d. **Use specialist assessors:** Assessors should be free of any explicit or implicit targets around reducing the number of disabled people on benefits. They should also have a specialist understanding of disabled people's support needs.

e. **Signpost to support:** Assessors should understand and be able to advise on the availability of other services in a local area, and the support agency carrying out the assessment should be able to

signpost the disabled person onto other support they might require. There should be clear guidance that in certain cases disabled people can be fast-tracked onto support that aids their back-to-work journey.

f. **Co-designed and co-produced:** Disabled people should be directly involved in designing and setting the priorities for a new assessment in order to restore confidence in the system. Disabled people must lead their own assessment of work-readiness and should take the lead in deciding what support they may require.

g. **Accessible and flexible assessments processes:** Assessment should be available in a location and method of the disabled person's choosing, including in their own home, or by telephone. Carrying out assessments by phone or in disabled people's homes can reduce the need for expensive centres, and can also reduce the stress and anxiety about the test that disabled people currently report.

h. **Regional focus:** Benefits should continue to be administered centrally, but there is a strong case for giving regional bodies and local government greater control over the employment support in their area, devolving responsibility for the delivery of assessments.

i. **Continuity of support:**

Disabled people should not be forced to go without support for indefinite time periods if they challenge their WCA decision. However disabled people should be given every opportunity to ensure their assessment reflects the barriers they experience in getting into employment, and given enough time to make the necessary plans in the case of an adverse decision.

3. Opening up the market of employment support

Beyond DWP programmes, there is also a separate layer of employment support being provided at local level – yet these services are under threat. These specialist organisations – notably those run by disabled people themselves – operate at local level and are often extremely well placed to address the barriers disabled people face.^[71] They have strong links into the local economy, understand the specific barriers facing disabled people, and are often better able to innovate than larger providers. Yet there are challenges for these organisations to deliver within the current commissioning framework.

Funding available through councils is significantly under threat. Recent research by the National Development Team for Inclusion (NDTi) found that a

third of councils have reduced their funding for employment; a further quarter have not increased their funding despite the ongoing impact of welfare reforms.^[72] Supporting Disabled People's Organisations (DPOs) and other smaller organisations to be able to provide employment support will be a crucial part of redesigning the system.

Small organisations also face challenges trying to engage with mainstream programmes such as the Work Programme. If DWP wish to engage with providers like Disabled People's User Led Organisations (DPULO), more support needs to be in place. This is likely to include at least some support prior to the tendering process, such as the pre-tendering information workshops held by the Ministry of Justice during the commissioning of their probation services.

As such, Scope believes that DWP should explore the possibility of creating a new fund, separate from mainstream programme funding, which is explicitly intended to encourage providers to pilot new approaches, scale up existing services, and, crucially, allow providers and others to collect good quality data on 'what works'.

Recommendations:

- The next Government should introduce large-scale pilots of the use of personal budgets in employment support, preferably applying Randomised Control Trial(RCT) methodologies to the evaluation.
- The next Government should set up a national board to drive forward the personalisation agenda in employment support, modelled on the Think Local, Act Personal partnership.
- The next Government should develop a revised national commissioning strategy that creates the framework for the transition to personal budgets.
- The next Government should intervene to open up the market in employment support by setting aside a dedicated innovation fund for Disabled People's Organisations.
- All political parties should set out in manifestos the principles and approaches of how they will reform the Work Capability Assessment as a priority in the next Parliament.
- The Government should invest in expanding the network of specialist employment advisors for disabled people.

Conclusion



Disabled people want to work, but the barriers that they face are considerable. Despite nine in 10 disabled people being in work or having worked in the past, currently only around one in two are in work. Yet the disadvantage they face in the labour market is set to worsen over the next decade.

As the economy returns to growth, the next Government has a unique opportunity to resolve this situation, and ensure that more disabled people are supported to find work, achieve

their aspirations, and become more financially resilient.

But this cannot happen without a significant change in policy. For too long, the focus of policymakers has been on disabled people's supposed failure to work. This has meant a tightened benefits system to try and 'push' disabled people into work, and the introduction of employment programmes that are yet to provide successful, personalised support.

To resolve this, it is essential that all political parties base their policy development on a more sophisticated understanding of the barriers to work that disabled people face.

The biggest change must be to recognise that many disabled people want to work and already do – and that the challenge for them is to have job that has the flexibility they need to remain in work. A refreshed approach to sickness absence and better, more flexible in-work support is essential in order to support more disabled people to excel at work.

A second major policy shift must be to recognise that the shape of the labour market is creating challenges for disabled people. More jobs should be targeted at disabled people in their local area, and central Government should incentivise City Regions to provide significantly better support for disabled people to take advantage of growth.

Finally, policy around employment support should recognise that disabled people face considerable social and environmental barriers to work. This must be taken into account in assessments of ‘fitness for work’. And if the support provided for unemployed disabled people is to become more effective, it must start from the individual and provide a more personalised, tailored service.

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Scope exists to make this country a place where disabled people have the same opportunities as everyone else. Until then, we'll be here.

We provide support, information and advice to more than a quarter of a million disabled people and their families every year. We raise awareness of the issues that matter.

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