Work in progress

Rethinking employment support for disabled people
Acknowledgements

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We would like to say an enormous thank you to those who took part in the policy development process that led to this report.

For their insight, experience and analysis, thanks also to: Marc Bush, Hilary Clifford, Elliot Dunster, Vittoria Morgan, Ruth Marvel and Carena Rogers at Scope; Emma Mamo, Jon Higgs, Vicki Nash and Paul Farmer at Mind; Dan Scorer and Tuulikki Harling at Mencap; Rebecca Rennison, Guy Parckar and Helen Carter at Leonard Cheshire Disability; Matt Davies, David Newbold, Sean Owen, Philippa Simkiss, Andy White and Steve Winyard at RNIB; Tracie Redshaw and Roger Wicks at Action on Hearing Loss; Sue Bott, Marije Davidson and Liz Sayce at DRUK; and Nicola Whiteman at Papworth Trust. Special thanks also go to Michael Mudge.

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Published July 2013
Employment support for disabled people should become more diverse, innovative and empowering.
Improving disabled people’s employment situation remains high up the political agenda. Over half of all working age disabled adults are unemployed, the majority of whom want to work. (1) But current approaches to lowering this figure are ineffective.

Employment support – help to find, prepare for and progress in work – is a vital part of resolving this situation. For disabled people facing challenges in many areas of their lives, intensive, personal support is a critical part of their career journeys. (2)

Successive Governments have recognised this, and investment in specialist disability employment support continues to hover at around £320 million a year. (3)

This money provides vital support for disabled people to live more independent lives, and can reduce expenditure on welfare, health services, and social care support and interventions. (4)

The case for reform

But it is clear that the current approach to employment support is not working for disabled people.

At the national level, challenges in the design and delivery of programmes such as Work Programme and Work Choice mean disabled people are yet to experience effective personalised support.

Local examples of good practice are being stifled by a lack of funding, a paucity of good evaluation and broader structural limits on innovation.

There is a particularly urgent need to increase and improve provision for disabled young people at transition age, many of whom lack good employment opportunities.

Our approach

The Government has recognised these challenges, and are beginning to consult on a new Disability Employment Strategy. This report outlines a series of proposed reforms to inform the strategy, drawing on the collective expertise of five disability charities: Action on Hearing Loss, Mencap, Mind, RNIB and Scope.
The report builds on our experience of supporting disabled people in the workplace, introduces new evidence about the labour market, and provides detailed policy analysis of the current employment support system.

Drawing this analysis together with disabled people’s experiences of the system, we set out in principle and practice a vision of employment support that is innovative, engaged in local areas, and that first and foremost empowers disabled people to lead their own career journeys.

Chapter one sets out the detailed case for reform, arguing that current employment support is not working for disabled people. Chapter two builds on this analysis and presents a framework for supporting disabled people’s career journeys in an effective and empowering way. Chapter three offers conclusions and recommendations.

**Blueprint for reform**

The overarching intention of our proposed reforms is to empower disabled people to have greater control over their own career journeys, and to improve the effectiveness of the support they receive.

To do this, we have developed a framework for effectively supporting disabled people’s careers, and set out steps for realising this vision in practice. We believe that effective employment support for disabled people should:

1. **Engage with local services and labour markets:** No single factor can improve disabled people’s access to the workplace; successful employment support depends on being able to bring together different agencies such as education, social care or welfare advice. (5)

2. **Prioritise a ‘good work’ approach:** Supporting disabled people through careers that match their capabilities, interests and ambitions has been shown to make working lives more sustainable than simply placing individuals in any available job. (6) When aligned with effective in-work support, good jobs can also act to prevent employees acquiring impairments. (7)
3. **Focus on skills and training** As the Organisation for Economic Co-operation and Development (OECD) has argued, improving skills development is a vital way of widening participation in the labour market for disadvantaged groups including disabled people. (8)

4. **Create jobs**: Particularly during a time of intense competition for job vacancies, increasing the available opportunities for disabled people will be a vital part of delivering better employment outcomes.

5. **Actively engage with employers**: Involving employers in designing employment support is a critical part of creating sustainable careers for disabled people.

6. **Emphasise voluntary participation**: Sanctioning benefits is unlikely to resolve the wide-ranging barriers to work many disabled people face, such as the impact of a condition or impairment. Boosting voluntary measures will therefore be vital for effectively and sustainably increasing disabled people’s engagement with the labour market. (9)

7. **Deliver personalised support**: No single support package can meet the needs of all disabled people. Developing an individual support plan is a critical part of being successfully supported into work. (10) Fundamental principles of independence, choice and control should become more systematically realised in the way disabled people are supported.

8. **Assess disabled people’s full support needs**: Better assessments of disabled people’s support needs are vital in order to enable better job matching and to ensure that meaningful support is provided on the journey into work. Addressing the full range of barriers disabled people experience is vital for supporting their career journeys.

9. **Encourage relationships and peer support**: For disabled people, support to build relationships with employers and other job-seekers will be vital for finding work and overcoming barriers to work such as low confidence.
Making it happen – steps towards reform

In order to realise this vision in practice, we recommend that the Government takes the following steps towards reform:

1. Develop a more innovative, diverse and local employment support offer

- **Recommendation:** The Government should commit to creating a **Regional Job Creation Fund** specifically to incentivise new providers to enter the market and pilot innovative ways of supporting disabled people through their careers.

- **Recommendation:** The Government should create **Regional Job Creation Alliances** to deliver the Fund, bringing together relevant regional agencies such as Local Authorities, Job Centres, employers, higher and further education providers and health services.

- **Recommendation:** The Regional Job Creation Alliances should have an ‘**Inclusive Growth Duty**’ to allocate funding to projects that specifically support disabled people's careers and that meet demand for jobs in sectors of the local labour market that are growing.

- **Recommendation:** In order to create a culture of systematic evaluation and transparency around employment support, the Government should **fully evaluate** the services created by the Fund.

- **Recommendation:** The Government should set up a **Knowledge Exchange Network** between programme providers, Job Creation Partnerships, and Government agencies to spread good practice and capture innovative practice supported by the Fund.

2. Retain and improve specialist provision

Given disabled people's wide-ranging barriers to the labour market, and the challenges faced in mainstream provision, there continues to be a need for specialist employment support for disabled people.

- **Recommendation:** The Government should commit to **retaining a specialist employment programme** beyond 2015.
In the short-term, we recognise that this is likely to mean retaining Work Choice at least until current contracts end. There are clear steps that can be taken to improve performance on the programme:

- **Recommendation:** Introduce a holistic assessment tool that better assesses disabled people’s distance from the labour market and the support needed to overcome these barriers prior to entering the programme.

- **Recommendation:** Issue clear referral guidance to JCP Disability Employment Advisors (DEAs) about when to refer disabled people to Work Choice or Work Programme, and clarify the information that should be collected and shared prior to referral.

- **Recommendation:** Review how the cap on referrals is operating and set a higher national level to ensure more disabled people are able to access specialist support.

- **Recommendation:** Remove the 16 hour a week work requirement for Work Choice participants, allowing providers greater flexibility to develop more personalised journeys to work.

3. Support more disabled young people to take control of their own future

Beyond employment support programmes for disabled people of working age, there is an urgent need for increased and improved provision for disabled young people making the transition from school to independent living.

- **Recommendation:** DWP, BiS and DfE should urgently seek to pilot a vocational Weekend and Holiday Jobs Programme for disabled people aged 14 - 25, delivered by employers in partnership with specialist support providers, that offers meaningful, long-term experience in the workplace.

These recommendations are explained in full in Chapter three.
The case for reform

Disabled people face major challenges in their working lives, and current approaches to employment support are yet to be fully effective.
Chapter one: The case for reform

The need to invest in employment support for disabled people is well-understood and has been widely articulated across the political spectrum. (11) Investing in employment support for disabled people has been seen as both an important part of promoting independent living, (12) and of making public spending on welfare, health and social care more effective.

Yet current approaches to supporting more disabled people into work have yet to meet this broad intention. Some aspects of the policy intent behind employment support programmes are inhibiting programme performance, and are undermining disabled people’s control over their own support journeys.

In particular, there is a major gap between national and local provision. At the national level, challenges in the design and delivery of programmes such as Work Programme and Work Choice mean disabled people are yet to experience effective personalised support.

Locally, examples of good practice are being stifled by a lack of funding, a paucity of good evaluations and broader structural limits on up-scaling innovation.

This chapter explores these issues in more depth, and sets out the context for our proposed reforms to employment support in Chapters two and three.

Disabled people face major challenges in their working lives

The employment situation for disabled people remains deeply challenging. Only 46% of working-age disabled people are in work, compared with nearly 80% of the wider workforce. (13)

This means that there is an employment rate gap of 30%, representing nearly 2 million disabled people, and that the UK has a lower employment rate for disabled people than the EU average. (14) Some disabled people face particular challenges in the labour market, including those with learning disabilities, mental health conditions and visual impairments. (15)
Even once in work, disabled people are likely to be worse off. Disabled people are more likely to want to work more hours – 13% compared with 10% of non-disabled people (16) - and less likely to be in a full-time job.

Disabled people may choose to work part-time, as flexible hours can be a vital part of managing conditions and impairments. But too often there are barriers to full-time work, and these are at least partly responsible for the statistical wage gap disabled people face of over £1 an hour – a gap that has risen by 20p over the last decade, even adjusting for inflation. (17)

One of the key drivers of this labour market disadvantage is disabled people's low skill profile. (18) Disabled people are twice as likely to lack qualifications as their non-disabled peers, and the proportion of apprenticeships going to disabled people has actually fallen over the last decade. (19)

This acts as a major barrier to employment for disabled people, limiting the kinds of jobs that are available, impacting on pay, and preventing progression in the workplace. (20)

Young disabled people face particular challenges finding support to take their first steps on the career ladder. (21) Even when a young person has a transition plan in place to enable the move from children’s to adult services, employment is not routinely included in their support plan.

The employment opportunities that are available for disabled young people are of variable quality, and often depend on the interest and drive of individual supporters to be successful. (22)

Placements can be too short term, often repeating basic skills modules such as CV writing or time management, which means disabled young people can end up cycling in and out of similar programmes without progressing into paid work. (23)

The impact of the lack of support on disabled young people is clear: 42% are not in employment, education or training (NEET), compared with 18% of their non-disabled peers. (24) Improving disabled young people's journey into work is therefore a vital part of resolving the wider employment support landscape.
Current policy approaches are yet to be fully effective

Successive Governments have recognised the challenges disabled people face in the labour market. Both the Coalition and the previous Labour Government have invested significant policy energy in improving employment rates for disabled people. Current investment in employment support is hovering at around £320 million a year. (25)

Yet despite this welcome energy and investment, employment support programmes are struggling to meet the policy intention of supporting disabled people through their career journeys.

At a national level, major flagship programmes such as the Work Programme are struggling to deliver high job outcomes for disabled people. By contrast, reviews of local services suggest that innovative practice is being stifled by a lack of funding, difficulties carrying out effective evaluation and broader limits on up-scaling innovation.

National level provision – Work Programme

The Work Programme is the flagship national programme aiming to support long-term benefit claimants into employment, including disabled people. As a national programme which is intended to allow providers significant flexibility to provide personalised support, there is much to welcome in the policy intent (see box one).

However, for disabled people, programme performance has been disappointing. Scope’s analysis of the performance figures released in November 2012 show that the job outcomes rate for disabled people was only 2.2%. (26) For those on Employment Support Allowance – who have been identified as facing additional barriers to employment – only around 1,000 found a job in the first 14 months of the programme. (27)

Against this context of poor performance, there are major questions about the extent to which the programme is able to deliver fully personalised support. Recent evidence from the Work and Pensions Select Committee shows that front-line advisers are typically dealing
with caseloads of upwards of 120 clients each, suggesting that there is a major limit on how much time they can spend understanding and supporting disabled people and customers more generally. (28)

In addition, the recent DWP evaluation of the programme showed that personalisation in the programme is largely procedural in nature, focusing on adviser relationships. (29) Substantive personalisation, such as enabling links into specialist support, appears to be much rarer. This is concerning: without such services in place disabled people’s career journeys are much more difficult, and there is clear evidence that addressing the full range of barriers disabled people face is critical in enabling them to move into work. (30)

DWP are making welcome moves to try and improve the programme. (31) At the time of writing the latest performance statistics are yet to be published, which we hope will show improvements for disabled people.
But there remain substantial challenges in the underlying policy intent – which we address in more detail below – which hinder the programmes’ ability to deliver effective job outcomes.

**National level provision – Work Choice**

Since 2011, DWP has also commissioned Work Choice, a specialist employment programme for disabled people. The programme has a greater degree of central management than Work Programme, but broadly follows a similar provider-led, outcomes-based contract approach (see box two).

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**Box two: Work Choice**

Work Choice is a specialist employment programme for disabled people, replacing previous programmes including WorkStep, WorkPrep and the Job Introduction Scheme. There are some similarities with the Work Programme, notably the emphasis on tailored support and flexibility. But it differs in key respects, notably that:

- Participation on the programme is technically voluntary, although once referred to Work Choice there are conditions placed on participation.

- Funding is only partly payment-by-results, as providers do get paid when outcomes are attained but will also receive an upfront service fee to cover costs.

- The programme is only intended for disabled people and particularly those with the highest support needs.

Outcomes on Work Choice compare favourably with Work Programme with an overall job outcome rate of 29%. (32) Recent evidence suggests that customer experiences of Work Choice are positive, and many customers value the greater involvement of specialist provision in the programme. (33)
But there are nonetheless some serious concerns about how Work Choice is performing. Evidence suggests that the programme is not supporting those with more significant disabilities – the very group that Work Choice was created to support.

Over the lifetime of the programme, more than 50% of customers are JSA claimants, and only 42% of referrals are for DLA claimants, raising major questions about whether programme’s target group are receiving support through the programme. (34)

Additionally, the programme is capped, meaning that there are limited places available. This inevitably denies specialist support to some disabled people, and may lead Job Centre Plus advisers to refer customers onto Work Programme inappropriately because Work Choice quotas have been filled.

Given that places on programmes are rationed, it is also concerning that there is little clarity about who is being referred onto the scheme. Despite disabled people being the explicit target group for Work Choice, official statistics show that in 40% of referrals information about a clients’ primary impairment is not known. (35)

This is concerning because if the client is not a disabled person then the referral to Work Choice should not have been made. If the impairment is simply unknown, it implies that there has been no assessment of needs at all, which in itself is a major issue undermining the provision of effective support. It also implies that impairment may not be the most useful or appropriate indicator of employment support needs.

Further, there are a number of constraints on Work Choice providers being able to deliver a fully personalised service. Demands that customers should be able to work 16 hours a week after 6 months on the programme, for instance, are unhelpful, and inhibit the personal progress towards work that should mark a successful experience of employment support. (36)

Keeping the 16 hour rule could potentially also act as a disincentive for Job Centre Plus to refer those with the most complex needs onto the scheme. A programme that does not support people who may only
be able to work part-time hours is inconsistent with the government commitment to ‘making work pay’.

In short, whilst Work Choice appears to be delivering better job outcomes than the Work Programme, there continue to be a range of challenges inhibiting the delivery of effective support for the range of disabled people.

**Beyond national delivery – hidden good practice**

Beyond Work Programme and Work Choice there is a varied landscape of employment provision, typically commissioned by Local Authorities or delivered by the voluntary sector. Nesta and others have shown that small-scale employment support provision can be much more innovative and effective, particularly in under-developed areas such as job creation. (37)

However, a paucity of evidence and information makes it difficult to evaluate the success of these programmes. Research by National Development Team for Inclusion (NDTI), for instance, indicates that only a minority of local authorities are able to say exactly what employment support services are on offer in their areas. (38)

This lack of evidence also inhibits the scaling up and sharing of the many examples of good practice being delivered in local areas, undermining potentially a rich resource for informing the development and improvement of national programmes. (39)

Funding remains a major issue, and the British Association Supported Employment has estimated that as many as 40% of local authorities have reduced their employment services, (40) meaning additional weight is being placed on the Work Programme and Work Choice as a source of employment support for disabled people. (41)

There are also very few networks or mechanisms to share the good practice that exists at local level. (42) Beyond the considerable work done by organisations such as British Association of Supported Employment in the supported employment field, there are few systematic attempts to
evaluate innovation and good practice at local level. Because of this, the considerable opportunities for innovation these services provide are being undermined.

Clearly, not all provision at local levels is necessarily good, and some may not provide the kind of support that disabled people would wish to see. But currently the challenge is that there are few, if any, mechanisms or structures to find where the ‘good’ provision is, or of using this evidence to influence new providers to enter the market. Resolving this and creating a more diverse market for supporting disabled people into work is therefore a key policy challenge.

**Why have policy responses been ineffective?**

Overall then, despite continuing investment, some significant policy responses, and localised examples of good practice, existing national employment support programmes have failed to significantly address the entrenched challenges disabled people face in the labour market. National programmes have yet to fully deliver on the promise of personalised support for disabled people, and the potential for innovation and good practice locally is hindered by structural challenges such as lack of funding.

A number of core policy assumptions underpin the current employment support landscape, explored below.

**1. Over-emphasis on labour supply rather than demand**

A consistent feature of employment policy over current and previous Governments has been a focus on what can be called ‘supply-side’ measures. This has meant a focus on building the attributes of the workforce, and increasing conditionality and sanctions to enforce the movement off benefits and into a job.

Yet such measures tell only half the story as they fail to account for ‘demand-side’ issues such as a lack of appropriate vacancies, or support for employers to better understand how to accommodate disabled people’s needs. This has led to a reduced emphasis on other types of labour market policy that could benefit disabled people, such as a greater focus on job creation in local areas.
2. Structural limits on innovation

The Work Programme was designed with the intention of being a key source of innovation in employment support. (45) Yet challenges on the programme have made it difficult for providers to innovate in practice. (46)

In particular, the DWP evaluation of the programme found that innovation has happened largely within the commissioning process and design of the programme; innovative and personalised support has been less evident in practice. Advisers routinely have between 120 - 180 people on their caseloads, (47) for instance, indicating that there are significant capacity restraints on the ability to tailor support to individuals.

There is some evidence that smaller, more innovative local services are better able to deliver personalised and specialist support for disabled people. Yet the structure of the employment support landscape can squeeze out these services, undermining the options available to disabled people and lowering the quality of provision overall.

Longer-term, creating a more diverse work support offer will be a vital part of raising standards in employment support. More support for innovative services will enable us to test and evaluate ideas about good provision, could stimulate larger providers to improve service delivery, and provides greater opportunities to introduce choice into the employment support system. (48)

3. Too little good-quality evidence about what works

There is undoubtedly good practice in effectively supporting disabled people into work, typically at local levels, and major efforts have been made in some areas of employment support to evaluate and formalise provision more effectively. (49)

Yet the evidence of this good practice remains patchy, limiting the ability to develop new and better programmes of support elsewhere or at national level. (50) Many of the local examples of good practice lack good quality evaluation, and there can also be little clarity about what employment support even exists in a particular local authority. (51)
Taken together, these challenges mean that the innovative potential of small scale programmes is yet to inform national delivery.

4. Under-emphasis on training and skills provision

Disabled people’s skills profile has a major impact on their working lives. Disabled people are twice as likely as their non-disabled peers to have no qualifications, (52) and the proportion of those on Apprenticeships who are disabled has actually fallen to just 8%. (53) This has been shown to substantially reduce disabled people’s chances in the labour market. (54)

Yet there is a striking lack of skills provision for disabled people. Evaluations of mainstream programmes over the past decade indicate that the majority of provision – ranging from Pathways to Work to Work Programme – has focused instead on ‘basic skills’ or employability skills such as CV writing or understanding the world of work. Despite the flexibility afforded to providers on the Work Programme, there are few clear examples of vocational skills training being provided, (55) reducing the potential impact of these programmes.

5. Programmes working in isolation from local labour markets

One of the core challenges with rolling out national provision such as the Work Programme has been embedding the service in local and regional economies. (56)

Providers are under considerable financial pressure to find job outcomes quickly in order to receive the payments necessary to make their business models sustainable. This means that providers are dis-incentivised to work closely with local authorities and business groups to place disabled people in vacancies that meet demand in local labour markets.

As the OECD has shown, it is working to overcome the gap between employers’ needs and the skills of the workforce that makes employment support most effective, such as by building links between local authorities, businesses and education providers to ready employees for the future jobs market. (57) Improving these links within current employment support is vital for making services more effective, and for ensuring disabled people’s full potential is met.
In short, disabled people’s continuing challenges in the labour market mean the need for effective employment support is significant. But current approaches are yet to deliver effectively. Issues such as the difficulty of funding, learning from, and up-scaling local services are significant barriers to improving the system overall, and an excessive focus on basic skills and the need to sanction disabled people into work have underemphasised the role of vocational skills and voluntary motivations to work. For these reasons, we believe there is a clear case for reforming how we support disabled people into employment.
Future employment support should empower disabled people to have greater control over their own career journeys.
Chapter two: Blueprint for reform

“[Getting into work] is like...one step after another, like building a brick wall – [if you lay] one brick and put another straight on top of if that’s all going to come crashing down.”

In light of the challenges current programmes are facing, and the underlying policy issues identified above, the need for reform of employment support for disabled people is clear and urgent.

As such, we set out below a blue print for how newly designed employment support programmes can best support disabled people into work. Our framework is intended to stimulate conversations and debate about how such support can be delivered. We set out options for how this reform could happen in the following Chapter.

We believe that good employment support programmes should build on:

1. Engagement with local services and labour markets

No single factor can improve disabled people’s access to the workplace. Nor can effective employment support be the sole remit of any single agency: schools need to support good quality work experience and challenge low expectations and aspirations; there needs to be the information, advice and support for young people to move from college/school into employment; businesses need to understand the benefits of employing people with disabilities; people need to have the right ‘life’ support (i.e. social care and health) to enable them to work.

Future approaches to employment support should seek to build on the experience of previous schemes - such as the Right to Control pilot - to ensure greater joint working between local programmes.

2. A ‘good work’ approach:

Current employment support approaches typically focus on the deficit of the labour supply rather than the types and breadth of jobs available to disabled people. As such, we believe that there should be renewed focus on finding or creating meaningful, appropriate work opportunities for disabled people that match their interests and aspirations.
There is clear evidence that supporting disabled people into effectively matched jobs helps make the return to work sustainable, ensuring a sustained commitment to employment and a willingness to progress. Evaluations of the Work Programme suggest that although this approach is recognised, it is happening far less in practice than it should. Good work is also a clear factor in reducing the impact of acquired impairments later in life, helping employees stay in work.

“First thing in the New Year I get the news that London Overground wanted me and I thought brilliant – it gave me more positive energy, excitement you could say.”

3. **Focussing on skills and training** is vital for improving chances in labour market and is happening too rarely.

Improving vocational skills and training will be a key driver of building better employment outcomes for disabled people. As the OECD has argued, improving skills development is a vital way of widening participation in the labour market for disadvantaged groups including disabled people.

In light of this, and the continuing skills deficit disabled people experience, it is surprising that so little emphasis has been placed on improving vocational skills. Creating better skills and training opportunities for disabled people should therefore be seen as a core part of the employment support agenda, and should be a priority in the development of future programmes.

“The thought of not having that many skills and GCSEs and stuff was worrying. Looking at things like apprenticeships and such, I actually thought it’s not going to be worth me actually applying. I thought I had no chance.”

4. **Job creation**: Actively working to create jobs is a vital part of addressing the barriers to entering the labour market that disabled people face.
Current employment support approaches could be strengthened by a greater understanding and focus on creating appropriate jobs for disabled people, rather than using a work-first approach to place customers in any available job. Long-term, we would like to see piloted examples of co-creation schemes, where disabled people are involved in the design of vacancies.

Ultimately, job creation requires understanding where new jobs are likely to come from, and identifying and targeting employment support to growth sectors of regional economies. As such, actively identifying demand in local economies and seeking to match disabled people to these jobs will be a vital part of delivering successful long-term employment support strategies.

5. **Active employer engagement:** Involving employers in creating real vacancies for disabled people is a critical part of engaging disabled people in the local economy.

Employment support is increasingly delivered solely through provider-led models. To make sure employment is sustainable and meets real demand, future programmes should ensure employers are supported, placements are work-relevant, and that there is a good fit between employers’ needs and disabled people’s aspirations, capabilities and career goals.

Good practice in supported employment approaches, for instance, already highlights the significant benefits of workplace rather than classroom experience. It is already standard practice in Apprenticeships, for instance, for employers to be heavily involved in designing programmes. The flexibility this allows could have substantial benefits for disabled people particularly in terms of building opportunities for specialist provision into the design of programmes.

“It’s experience at the end of the day [that matters]. It’s something to show to employers: I’ve done this, this is the skill that I’ve learnt. It will make them see that I am someone who should be considered.”
6. Voluntary participation: There are more sophisticated and appropriate ways to engage disabled people in working life than through sanctions regimes.

Evidence shows that the majority of disabled people struggling to engage with employment programmes do so because of the impact of their condition or because the support on offer is inappropriate and limited in scope - not because they lack motivation to work. (62)

Removing benefits as a sanction for not finding work is unlikely to solve the challenges disabled people face, and makes their lives more difficult without making them more likely to participate in employment programmes.

As such, employment support programmes should focus on measures to boost voluntary engagement with programmes. Key to this is effective planning that builds on an understanding of the needs and aspirations of disabled people.

“I was made very anxious and sleepless by what I perceived as threatening letters and terms...I became depressed because I could see that my hopes to return to work were being made unrealisable by this route.”

7. Personalised support: No single support package can meet the needs of all disabled people, and developing an individual support plan is a critical part of being successfully supported into work.

This is not a new argument, and the emphasis on personalisation in the design of Work Programme and other schemes is welcome. But there is currently little evidence that meaningful personalisation is happening in employment support beyond local pockets of good practice. (63)

Currently the primary mechanism for delivering personalised services is the ‘black box’, which is intended to provide discretion to providers to build whatever support packages they decide are appropriate. Yet this discretion is currently balanced by too little clarity about what support disabled people are entitled to within support programmes.
Resolving this imbalance in future programmes will be a vital step towards improving outcomes for disabled people.

In addition, given the specific barriers facing some client groups – particularly learning disabilities, mental health conditions and visual impairment – future employment and training programmes should take steps to ensure that provision works for all disabled people.

“She said of depression things like: ‘if I felt a bit down then I should really just make more of an effort to do stuff even if it is a chore.’ It’s lovely having your feelings made light of.”

“When I was first referred [to the Work Programme] I had to listen to instructions online about what was expected of me. I was unable to hear because the headphones weren’t suitable for a hearing aid user, I asked for a transcript but none were available. I have never been offered to sit in a quieter environment away from the background noise of an open plan office.”

8. Holistic assessments are vital in order to enable better job matching and ensure the right people receive the right support.

The assessment of work-related needs is currently deeply problematic. The primary place disabled people’s needs are currently assessed is in the Work Capability Assessment which causes significant distress and is inaccurately identifying needs. Improving assessments and including signposting to specialist assessments where appropriate will therefore become vital aspects for a well-functioning employment support system.

9. Relationships and peer support:

Despite the importance of personalised and individual support plans, current employment support places too little emphasis on the fact that finding and progressing in work is also a social process; the role of networks, contacts and peer support is critical.
The importance of networks is partly for finding jobs, as anecdotal evidence suggests that as many as 80% of jobs are never advertised. But it is also about being supported through the stressful and difficult periods that all jobs entail.

For disabled people, who can experience challenges in accessing and building social networks, support to build such relationships – such as through greater opportunities to meet and learn from other disabled jobseekers – would be of significant value.
Realising our vision can be achieved by more actively shaping the employment support market for disabled people.
Chapter three: Making it happen – steps towards reform

Previous chapters have set out the significant challenges disabled people face in the labour market. Such challenges signal a clear need for employment support, but we have shown that current provision is yet to support disabled people as effectively as it could. For these reasons, we believe reform is necessary.

The overarching intention of our proposed reforms is to empower disabled people to have greater control over their own career journeys, and to improve the effectiveness of the support they receive.

We believe that the Government should seek to create employment support that is more innovative, diverse, accommodating of disabled people’s needs and aspirations, and embedded in local communities and labour markets.

We want to build on and improve current employment programmes – and we recognise that successful delivery takes time to embed. But we also believe that innovation is important, and that the Government should take steps to actively develop and shape a more diverse work support offer, particularly in local areas.

Despite the welcome intention to deliver personalised services through the Work Programme, disabled people’s experience of moving through the employment support system is still characterised by an absence of choice over the support they receive and the jobs they are expected to do.

This must change, and the fundamental principles of supporting disabled people – such as promoting independence, choice and control – should become more systematically realised in the way employment services are delivered.

Finally, in order to give every disabled person the same opportunities to find work, the design and delivery of programmes should better understand and address the specific barriers faced by particular groups of disabled people – such as those with mental health conditions, learning disabilities and visual impairments.

In order to realise this vision, we recommend that the Government takes the following steps:
1. Create innovative practice in regional economies

Government commissioned employment services, such as Work Programme and Work Choice, will stop taking referrals in 2015/16, leaving a substantial opportunity to reshape and improve the employment support provided to disabled people.

Yet a core challenge with the current employment support landscape is the lack of structures within which to test new approaches, collect better evidence about what works, and build on this evidence to design and pilot new programmes.

In addition, locally commissioned employment support is facing a number of challenges – particularly around funding and support for evaluation – that are inhibiting the development of new pilots and approaches.

**Recommendation:** The Government should commit to creating a Regional Job Creation Fund specifically to incentivise new providers to enter the market and pilot innovative ways of supporting disabled people through their careers.

In order to ensure that the Regional Job Creation Fund is delivered meaningfully, we further **recommend** that:

**a.** The Government should create Regional Job Creation Alliances to deliver the Fund, bringing together relevant regional agencies such as Local Authorities, Job Centres, employers, higher and further education providers and health services. The purpose of the Alliance will be to manage applications for pilot funding and monitor delivery.

**b.** The Job Creation Alliances should have an ‘Inclusive Growth Duty’ to allocate funding to projects that specifically support disabled people’s careers and that meet demand for jobs in sectors of the local labour market that are growing.
c. In order to create a culture of systematic evaluation and transparency around employment support, the Government should fully evaluate the new services created by the Fund.

d. A core objective of the fund is to develop a stronger evidence base for employment support, and to connect and create networks of good practice in order to inform development of future national programmes.

To enable this to happen, the Government should set up a **Knowledge Exchange Network** between programme providers, Regional Job Creation Alliances, and Government, bringing these bodies together to share the evaluations that have been collected.

The intention of the fund is not immediately to replace existing provision such as Work Programme and Work Choice. Instead the fund should be used to fill the gap in knowledge and innovation, drive a more dynamic and diverse range of employment services, and provide evidence for future policy approaches after 2015.

The existing policy direction across Government includes a range of opportunities to develop such an approach. The new City Deals, for instance, aim to provide greater strategic autonomy to cities and regions to invest in sustainable growth and job creation.

DWP are exploring ways of using the data-collection potential of Universal Credit to pilot in-work support for benefit claimants seeking work.

The Technology Strategy Board operates extensively through innovation fund and challenge prize models, and has developed a detailed, wide-ranging Knowledge Transfer Network which is proving effective in disseminating good practice.

As such, we believe there are strong precedents and justifications for our suggested approach.
2. Continue to provide specialist employment support for disabled people

Given the challenges disabled people face in mainstream provision, there continues to be a need for specialist employment support.

Recommendation: The Government should commit to retaining a specialist employment programme beyond 2015.

In the short-term, we recognise that this is likely to mean retaining Work Choice at least until current contracts end. We welcome the work being done to make improvements to the programme, and specifically recommend that in order to boost outcome rates and disabled people’s experience of the scheme, the Government should:

a. Introduce a holistic assessment tool that better assesses disabled people’s distance from the labour market and their support needs to overcome these barriers;

b. Issue clear referral guidance to JCP DEAs about when to refer disabled people onto which programme;

c. Review how the cap on referrals is operating and set a higher national level to ensure more disabled people are able to access support;

d. Remove the 16 hour a week work requirement for programme participants, allowing providers greater flexibility to develop personalised journeys to work with clients.

3. Improve employment opportunities for disabled young people

There is a particularly urgent need for increased and improved provision for disabled young people at transition age, many of whom lack opportunities for employment support.
We welcome the introduction of programmes such as Supported Internships and Traineeships as a way of potentially raising the aspirations of disabled young people.

However, we believe there is scope to explore the creation of a programme that is specifically aimed at enabling disabled young people to access the same first steps into work as non-disabled young people: through part-time paid work that facilitates relationships, skills and experience in a real work setting, and raises aspirations and expectations.

**Recommendation: DWP, BiS and DfE should seek to pilot a vocational Weekend and Holiday Jobs Programme for disabled people between the transition ages of 14 - 25.**

We anticipate the programme being delivered by employers in partnership with specialist employment providers, with the objective of providing long-term, vocational paid work experience.

The core offer of the programme should be:

**Flexible, low hours paid placements over a sustained period of time**

Our assumption would be that placements are for not more than 5 hours a week, but should continue for between 6 - 24 months to facilitate development of good relationships, and to build quality experience.

**Employer-led delivery** The scheme should be funded in the same way as Traineeships and Apprenticeships, with funding streamed directly to employers – potentially also through the Skills Funding Agency or Education Funding Agency. Employers should be given the flexibility to develop their own package of support.

**Payment, progression and qualifications** To make the programme meaningful, we recommend that participants are paid and are supported to progress and develop skills in a structured manner. We very much see such a scheme as a pre-Traineeship or Apprenticeship programme for disabled people so would expect it to have some form of accreditation.
Include specialist provision We would encourage the development of delivery partnerships between employers and local support agencies, such as specialist colleges or specialist voluntary sector organisations. This would ensure placements are appropriate, and that participants have access to specialist support.
Conclusion

The current labour market is a challenging place for disabled people. The difficulties faced by everyone – high competition for vacancies, downward pressure on wages, lower average disposable incomes – are exacerbated by the additional barriers disabled people face when trying to find, stay in and progress in work.

There continues to be a clear need for Government to shape and direct the support disabled people receive throughout their career journeys. Investing in employment support is an important part of promoting independent living, and of developing more effective social security expenditure.

Yet to make this investment go further, employment support must become more diverse, innovative and local, and disabled people must be empowered to have greater control over their own career journeys.

Crucially, there must also continue to be specialist support for those groups who face some of the deepest labour market disadvantage, such as those with mental health needs, learning disabilities and visual impairments.

This report has set out why disabled people are not currently being supported effectively. A range of issues within the policy intent of programmes – such as an under-emphasis on vocational skills – undermines disabled people’s ability to shape their own careers.

National provision is insufficiently embedded with the local support services that play a vital role in enabling disabled people to work, and local services struggle particularly with funding and evaluation.

The Government has recognised the need to improve this situation, by setting out to develop a wide-ranging Disability Employment Strategy. This report has outlined a range of reforms that could be adopted.

By shaping a more effective, diverse and innovative employment support market; by continuing to provide specialist employment provision; and by improving employment opportunities for disabled young people, the Government can make a tangible difference to the working lives of disabled people.
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