Written evidence from Disability Rights UK (DEG0041)

Introduction

Disability Rights UK are a national charity led by disabled people seeking change. We are a membership organisation with both individual and organisations amongst our members. We provide information, advice and guidance delivered by and to disabled people via our helplines, publications, policy forums, websites and social media. These points of contact have been utilised in the development of this response.

Steps required to halve the disability employment gap

In the background note to the inquiry it is correctly stated that halving the disability employment gap would require moving some 1.2 million disabled people off benefits and into work. Key to this ambition is knowing whether the economy is set to create sufficient jobs. The Office of Budget Responsibility conducted a forecast in Table 3.6 of their July 2015 Economic and Fiscal Outlook (1) and this put the figure at 900,000 with the important caveat that even this figure would contain many people who had simply opted not to retire. The conclusion being that higher level policy interventions will be required than back to work programmes based upon matching disabled people to existing vacancies.

This conclusion is further reinforced by consideration of the performance of the existing welfare to work programmes. Use of the DWP tabulation tool (2) for the period from the Work Programme going live up to an including December 2015 showed that only 34,270 people with a known disability indicator had gained employment in this period. This represents an average of 1142 disabled people obtaining work each month. This figure needs adding to that from Work Choice the specialist programme. The DWP statistical release for February 2016 includes data on job outcomes for seventeen quarters showing that there have been 35,419 sustained unsupported job outcomes or an average of 694 similarly defined job outcomes per month. These are the main job brokerage programmes and offer an average of 1836 going forward or some 22,032 per year, around 9% of what is needed to accomplish an average yearly target of 240,000 for meeting the Government’s overall target. The Access to Work programme provides highly valuable in work support and is clearly very important to supporting disabled people to retain their jobs. The additional 25,000 disabled people planned to be supported by the scheme is clearly
important and needed but this does not appear to be a target for an annual increase and so averaging the additional numbers over the five years to 2020 offers a further 5000 per year along with the monthly numbers of new cases of around 1020 a month or 12,240 per annum (DWP statistical release, December 2014) published data for thirty-one quarters from 2007 (3). Consequently a sum of 17,200 represents a further 8% of the target. In conclusion further steps are needed and these could or should include the following:

- Equipping disabled people to compete better for existing jobs
- Improving back to work support – in particular through peer to peer support
- Closing the disability skills gap – in particular, capitalising on the huge opportunity of the growth in apprenticeships to enable more disabled people to gain skills for employment
- Creating new jobs and markets that meet disabled people’s aspirations and potential
- Reducing the rate at which workers lose their jobs following the onset of a disability or long-term health condition
- Expansion of the apprentice, trainee and supported internship programmes in terms of the level of engagement and flexibility afforded to disabled people
- Neutralising or reversing the negative attitudes of employers towards employing disabled people
- Safeguarding the basic needs (e.g. food and shelter) of unemployed disabled people so that they have the secure base to then engage with back to work support or find work themselves
- Showing not just telling how employers can employ large numbers of disabled people, at all levels – through incentives within the public sector, including government departments.

We welcome the vigour and effort that the Government is currently giving to some of these elements e.g. expansion of the apprenticeship programme and promotion of Access to Work for people undertaking apprenticeships, but have concerns over the holistic nature of the forthcoming white paper e.g. will policy interventions on apprenticeships address disabilities other than learning difficulties, will support to the private sector demonstrate the objective of helping those disadvantaged in the labour market e.g. disabled people – we would like assurance that BIS will monitor support to private sector and enterprise broken down by disability. A further example is the backlogs that have often built up around PIP and WCA assessments and the severance they
create for people looking to obtain the employment support that will connect them to the labour market.

Interim targets

The Government should indeed set interim targets and these could be somewhat back loaded to allow time for new initiatives and policy interventions to bed in, whilst demonstrating sufficient short term ambition. Interim targets could be expected to drive institutional change and it could be expected that the Government would wish to know if it was on track. The linkage between benefits and tax embodied in Universal Credit could be also be expected to make monitoring easy.

Support for employers – the disability confident campaign

Disability Confident has been the feature of some 61 parliamentary oral and written questions tabled by MPs over the period 8th November 2013 to 1st of April 2016 but none of these have attributed any job outcomes to the campaign itself. This leads us to believe that whilst the Disability Confident campaign is a necessary plank of an effective strategy it currently embodies certain conceptual flaws. Firstly “Disability Confident” is in the main an attitudinal campaign when the Government’s ambition requires a behaviour change campaign. The new three modules place emphasis on the right procedures being in place however it is actually possible to go through the accreditation without actually employing a disabled person. It is only in module one that employers are invited to employ a disabled apprentice and even then it is from a possible four other options. Secondly the most significant element missing is the use of incentives other than a badge that may lapse if an employer at module one fails to progress to module two in a defined period of time. Finally there are no assurances that the scheme will therefore be any more successful than the two ticks symbol, “Clear Assured” or that operated by the Business Disability Forum. It is our understanding that Disability Confident has around 170 members, the Clear Company’s clear assured framework (200) and clear kit (4000 users), two ticks (6000) and the Business Disability Forum (400 members). The operators of each of these awards provides a valuable service but their membership is very low when set against the fact that there are 6000 large businesses and around 4.4 million SMEs in the UK. The lack of penetration amongst employers argues for Disability Confident to have a different approach (especially given its backing by Government), to
that deployed for over twenty years (in some cases) by others. It requires incentives.

**Further support to employers**

Employers may be likely to encounter a disabled person through an existing employee becoming disabled rather than in an interview situation and if they were to be supported to retain the individual that would have the effect of 1) giving them experience of making workplace adjustments to accommodate the member of staff, 2) providing confidence to existing members of staff of their commitment to the workforce and thus boost staff morale and possibly productivity and 3) reduce the movement on to benefits of newly disabled people. The employment retention framework proposed by researchers at the University of Nottingham (Fox E and Stafford B, 2007) takes an assessment of capabilities as a starting point (4) and employers could be supported by the Government funding this assessment.

The significance of employment retention as a policy lever cannot be overstated enough; studies suggest that it is potentially more important than back to work programmes. Estimates vary of the numbers of people relinquishing their employment status following the onset of a disability or long-term health condition. One study (Meager et al 1998) estimated that every year about three percent of the working age population become impaired and within a year one in six of these people will lose their jobs – about 35,000 people (5). The National Institute Health and Clinical Excellence and the Chartered Institute of Personal Development (6) collectively suggest that around one in a hundred are off work at any one time through long term sickness and around a sixth of these people have an impairment – around 48,000 people. In all likelihood this group of people will go on to claim out of work benefits.

**Effective employment support**

The data clearly argues that the currently available employment support is ineffective. Disability Rights UK attribute the reasons for this systemic failure stemming in part from disabled people having insufficient agency themselves over what the support looks like, too little emphasis on mitigating their isolation from the information and social networks that offer a connection to the labour market and the over emphasis on the disabled unemployed people being only individuals with individual problems rather than members of a community with the resources that that can bring.
Disability Rights UK have identified the following characteristics of effective support that are generally not provided at present:

- An assessment of need that is strengths based and thus supports people capitalising on their attributes and qualities to gain work and identifies support needed to obtain work
- Minimum standards for accessibility
- Peer to peer support
- Allowing and enabling jobseekers to share information on the barriers they face to the labour market
- Permitting the use of personal budgets in employment support
- Supporting disabled jobseekers to get on line and become IT literate
- Facilitating disabled jobseekers to become members of exchange systems that allow them to trade time, skills, assets etc with other people and thus break down their social isolation, nurture the sense of self-worth and give them access to the resources of offered by other people including information on the availability of jobs

For reasons of economy in producing this submission we will briefly focus on the value and evidence base for peer to peer support. Disability Rights UK has been in collaboration with the Work Foundation since late last year to establish the evidence base for peer to peer support being an effective element of back to work support. A literature review and practice review will be published in late May. One of the earliest and most cited pieces of evidence is Grannovetter’s famous study from 1973 on the strength of weak ties. In his study of where people had learnt of a job opportunity that they had successfully taken some 56% reported that they had learnt from other people. Our two organisations have produced a short literature review (8) and we would briefly signpost the select committee to the work of Kowlakowsky and others from 2012. In his study one hundred people were successfully matched with mentors and of these 49 were considered programme successes with 29 mentees returned to school and 13 gaining employment. Peer to peer support is an established part of recovery and rehabilitation in heath e.g. the NHS expert patient programme based on the work of Kate Lorig. Its principles have also been successfully tested in reducing recidivism amongst former prisoners too. The chancellor recognised the potential it offers young people with mental health conditions when he announced funding for it in his recent budget. Disability Rights now believes the
time is long overdue for utilising at scale the benefits peer to peer support offers in employment support.

**What are the likely impacts on disability employment of the abolition of the Employment and Support Allowance Work Related Activity component?**

As part of a Welfare and Work Act 2016 which comes into force from April 2017, new claimants of ESA who are placed in the Work-Related Activity Group (WRAG) and new claimants in the Universal Credit Limited Capability for Work (UCLCW) group will receive the same rate as those claiming Jobseeker’s Allowance. This is currently around £29.05 less per week than current claimants receive.

However, there is no evidential basis for the belief that the ESA-WRAG payment has acted as a barrier to disabled people gaining employment or that its removal will incentivise disabled people to find work.

The proposed ESA-WRAG payment will hit households with a disabled person hard – a third of whom are living below the poverty line. The latest annual Family Resources Survey (9), which is funded by the DWP shows that after housing costs are taken into account – the percentage of people living in households, where at least one member was disabled, who were in “absolute poverty” rose from 27% in 2012-13 to 30% in 2013-

The proposed £29.05 per week cut must also be seen in the context of other cuts and freezes to support for disabled people, their families and carers such as the bedroom tax, personal independence payment, council tax support and social care.

Disabled people being supported by ESA receive a higher rate than those on JSA because they face additional barriers as a result of their illness or disability, and typically take longer to move into work.

Almost 60 per cent of people on JSA move off the benefit within 6 months, while almost 60 per cent of people in the WRAG remained on ESA for at least two years.

It is unreasonable and unrealistic to expect disabled people to survive on £73.10 a week for two or more years. If the payment is removed, new ESA claimants from April 2017 will be uniformly financially penalised with no justification – in effect **sanctioned**.
The DWP has no evidence that the new ESA sanction regime has given those who’s ESA was significantly reduced a greater incentive to remain in touch with the job market or move into work. In its 24 March 2015 report, Benefit sanctions policy beyond the Oakley Review (10), The Work and Pensions Committee called for a full independent review of the benefit sanction scheme –

“There is evidence that more “active” unemployment benefit policies are more effective than the alternatives; but evidence on the specific part played by financial sanctions in successful active regimes is very limited and far from clear-cut.

DWP should increase the evidence base through a series of evaluations. In particular, it should test the efficacy and impacts of the longer minimum sanction periods which were introduced under the Welfare Reform Act 2012, and investigate whether the application of a longer sanction makes it more, or less, likely that the claimant moves into employment.”

In his 24 August 2015 speech on work, health and disability, then Secretary of State for Work and Pensions Iain Duncan Smith maintained that the gap between the employment rate of disabled and non-disabled people “isn't because of a lack of aspiration on the part of those receiving benefits….in fact, the majority want to work or stay in work.”

Instead he said the gap exists because of two factors -

“First, some employers are reluctant to employ people with disabilities.

… Second, the poor quality of support they receive leads to many sick and disabled people languishing in a life without work, when work is actually possible for them.”

Again, in going on to explain why ESA needed to be reformed, the then Secretary of State stressed the need to change the work capability assessment so that it “focussed on what a claimant can do and the support they’ll need – and not just on what they can’t do.”

Surely if the level of ESA paid to the WRAG group of claimants itself was a currently “perverse incentive” to them becoming employed – such that it requires a 40% reduction – then the Secretary of State would have also highlighted this?
Instead he said the opposite – that those on ESA do not “lack aspiration” and “in fact, the majority want to work or stay in work.”

A survey carried out by Disability Benefits Consortium (DBC) in October 2015 of over 500 people currently in the ESA-WRAG found:
- 7 in 10 (69%) of disabled people said such a cut to ESA would cause their health to suffer
- Almost half said it would mean they would return to work later (49%)
- A third say they couldn’t afford to eat on the current amount they receive from ESA WRAG.

The likely effects of the ESA WRAG cut were the subject of a detailed review by Lord Low of Dalston CBE, Baroness Meacher and Baroness Grey-Thompson DBE in December 2015. This Parliamentary Review, *Halving the Gap (11)*, took extensive written and oral evidence from disability organisations, including DR UK, and we will urge all Committee members to read it in full. One of the issues considered by the Review is the impact of the ESA WRAG cut on disabled people accessing work.

Significantly, the overwhelming response from organisations and individuals who gave evidence on this question was fundamental disagreement that reducing the ESA WRAG payment would incentivise disabled and ill people to move closer to work.

Individuals highlighted that the cut instead will lead to a worsening of their physical and/ or mental health, thereby making work related activity less of a priority and even less of a reality for them. It will also limit their ability to pay for the practical necessities of work-related activity, such a travel costs for interviews, appropriate interview clothing, or access to the internet: “Losing this money would make me more worried and stressed which would impact my mental health considerably turning the whole thing into a vicious circle.” - Individual respondent

Many organisations also heighted this issue, including Royal British Legion Industries, Centrepoint, and the Scottish Association for Mental Health, and Mind:

“There would be a severe impact on people’s ability to look for work. People would struggle to pay for well-being activities that help their recovery and enable them to feel able to consider paid work.
They would struggle to get by on a day-to-day basis, which is a huge source of stress and a major distraction from job seeking (how well would you complete a job application if you’d had no lunch, were worrying about your council tax court summons, and hadn’t been out the house for days because you can’t afford to get anywhere?).” - Hackney branch of Mind

In addition to impact on mental health, organisations and individuals also highlighted the risk of a deterioration in physical health as a result of a reduction to the ESA WRAG component. This in turn, it was highlighted, also negatively impacts on an individual's ability to take steps towards work:

“Reduced money = poorer health due to poorer diet and poorer hygiene = poorer prospects of becoming well enough to even entertain the idea of looking for work.” - Individual respondent

“Cancelling my phone and internet means I would not be able to make calls regarding workplace volunteering that I want to do or make job applications when I am ready. I would also no longer be able to afford smart clothes which you need for work.” - Individual respondent

“The impact of reducing the ESA WRAG payment on autistic people will be to simply push them further from employment, as many rely on this money to meet their additional support needs to undertake work-related activity. Individuals have told us they use the money to pay for additional work-related costs such as using the phone and internet, attending training and courses, and interviews and for smart clothes. Travel to appointments can also be costly, and many people on the autism spectrum in the ESA WRAG will not qualify for a disabled person’s bus pass. Without this £30 per week, it will be much harder for people on the autistic spectrum to look for, or get, work.” - National Autistic Society

“Deafblind people told us that they often have to spend money when looking for work, this includes paying for transport and communication support to go to interviews, attend training courses or get work experience. These costs cannot always be compensated by DLA/PIP
alone. Therefore as a result of the proposed cut people will not have this extra money to spend on looking for work.” - Sense UK

At present, someone qualifying for the ESA WRAG component in principle should be able to come in and out of the WRAG relatively easy without running the risk of losing large amounts of money. This enables a certain ‘fluidity’ that is vital for those with fluctuating conditions as well as those entering short term insecure jobs.

The removal of the ESA WRAG stop to this fluidity for current claimants and will create a disincentive for this group to move towards work:

“Rather than putting better incentives into the system, this seems to be putting disincentives into the system, and I think that evidence based policy, where is the evidence that this cut would incentivise employment?” - Liz Sayce, Disability Rights UK

“People, now that they are on ESA, are probably going to be more reluctant to go to work because they fear having to come back on again if their health deteriorates or something else happens, they won’t want to give up their ESA.” – Individual respondent.

The idea that the additional £29.05 per week acts to disincentivise people from moving toward work is more than highly questionable.

There is a need for support and incentives to employers – for example, Government procurement to open up more employment opportunities.

Cutting ESA to those placed in the work related activity group to the bare minimum, thereby causing debt, stress and deteriorating health, is unlikely to help disabled people seek work effectively and would contradict the Government’s aim to halve the disability employment gap as set out in the Conservative Party’s manifesto.

**Summary**

Disability Rights UK welcomes the Government’s affirmation of the manifesto commitment given by the new Secretary of State in parliament. However the target cannot be delivered by any one policy and will require cross department interventions especially between BIS, DoH and DWP. The new Secretary of State is in a good position to drive this given that he
coordinates an inter-departmental anti-poverty approach and manages the Office of Disability Issues. We therefore have high expectations for a white paper that will be a watershed in policy development but expect this inquiry and that of the All Party Parliamentary Group on Disability to make critical contributions to the content of that white paper.

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References

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