

ERSA Submission to the All Party Parliamentary Group on Disability inquiry into how the Government can fulfil its pledge to halve the disability employment gap

1. Introduction

- 1.1 This paper has been developed by the Employment Related Services Association (ERSA) in response to the All Party Parliamentary Group on Disability inquiry into how the Government can fulfil its pledge to halve the disability employment gap.
- 1.2 ERSA is the representative body of the employment support sector. It has nearly 230 members, spanning the public, private and voluntary sectors. Its membership includes all the prime contractors of the main Department for Work and Pensions (DWP) commissioned schemes, including Work Programme and Work Choice, plus a significant number of subcontractors. Over 70 per cent of ERSA's members are not for profit. ERSA's membership is drawn from across England, Scotland, Wales and Northern Ireland, with a dedicated network in Scotland and another in Greater Manchester. This submission is informed by ERSA's Disability and Health Forum which works to increase understanding of good quality employment support for jobseekers with health and disability-related needs.
- 1.3 ERSA believes that the personal circumstances of individuals with disabilities tend to be as complex as any other part of the population and thus there is no 'one size fits all' approach which will deliver the desired ends. As such, ERSA advocates an approach which combines:
- Recognition that work is not possible for some individuals with disabilities, whether in the short or longer term, and for there to be a culture within society which respects and supports that;
 - Supportive assessment mechanisms which identify those who want and can work and which do not see individuals purely through the prism of assessing eligibility for benefits;
 - Action to prevent individuals with disabilities from becoming unemployed wherever possible. This includes action to close the graduate disability employment gap, increasing the number of young people with disabilities accessing apprenticeships, plus greater access to vocational rehabilitation services;
 - Access to a far greater level of good quality employment support than is likely to be the case through the Work and Health Programme. Employment support should be available to all individuals with disabilities and not only those who are deemed sufficiently close to the labour market. Much is known about what such support looks like, crucially this is flexible, personalised and often engages with the wider circle of support around the individual;
 - Engagement of medical and other care professionals to ensure that both cultures and practices which can stop an individual even considering work are broken down. At present integration of health, social care and employment services can prove challenging across different areas;
 - A benefits system which provides positive financial incentives for individuals with disabilities both to work and want to work, without penalising those who cannot work or who move in or off benefits.
 - More business engagement and leadership to break down both cultural and practical barriers to employing people with disabilities. Often an employer looks at potential employees through a prism of 'risk', with many remaining nervous about both costs and wider implications of employing disabled people.

2. Response scope

- 2.1 This paper expands on some of the general themes that ERSA believes the APPG on Disability may want to consider when producing their findings, including:

- The Work and Health Programme and its implications for helping people with disabilities into work.
- The impact of the rollout of Universal Credit.
- The changing landscape brought about by devolution.
- The implications of leaving the EU.

2.2 This paper also addresses the following specific themes posed by the inquiry:

- Self employment
- Accessibility and the role of technology in addressing the disability employment gap.
- The role of procurement and job creation in tackling the disability employment gap.

3. Employment support context: Work and Health Programme, Universal Credit, Devolution and the EU

3.1 The Government's commitment to halving the disability employment gap has come at a critical time for the employment support landscape, and if it were to be reached, it is estimated that this would result in the employment of 1 to 1.5million people with disabilities who are currently not in work. The APPG's inquiry should factor in the key current developments including the design and implementation of the new Work and Health Programme, the roll out of Universal Credit, the context of devolution and the consequences of the EU referendum result in its findings.

3.2 Overall, ERSA has welcomed many of the individual measures put in place or announced by the government, including the Specialist Employment Support contracts for severely disabled jobseekers, the expansion of Access to Work, the continuation of Fit for Work and the new Health and Work Unit. It also understands the focus on jobseekers with health conditions and disabilities within the new Work and Health Programme. However, ERSA believes that there are a number of areas which the APPG may wish to further explore in its inquiry and beyond:

- First, whether the individual initiatives are likely to prove fit for purpose, thus making a measurable impact on the gap;
- Second, whether there are areas that should be addressed in relation to narrowing the disability employment gap about which the government is silent and/or whether there are activities which the government is pursuing which may inadvertently have perverse consequences on the gap;
- Finally, the extent to which the range of initiatives add up to more than a sum of their parts.

3.3 ERSA believes that more attention should be paid to preventing individuals becoming unemployed in the first place. Research by the Equality Challenge Unit highlights the employment gap between disabled and non-disabled graduates, which varies between institutions and for different impairments¹. Unequal access to high quality vocational rehabilitation services across the country compounds this issue, with a clear need for people with disabilities to have unencumbered access to the full range of services within a joined up approach. The gap can be narrowed, with work by charities such as Leonard Cheshire effective in connecting disabled graduates to real job opportunities. Leonard Cheshire's Change 100 programme kick-starts the careers of talented young disabled people by matching them to paid work placements in top companies like Barclays Bank and the BBC. Participants gain essential on-the-job experience as well a year

¹ <http://www.ecu.ac.uk/publications/supporting-disabled-students-transitions-higher-education-employment/>

of mentoring and peer support, and employers benefit from bespoke disability briefings. The results are excellent, with 100% of employers recommending the programme.

- 3.4 As it stands, the changes set out in the Autumn Financial Statement 2015 are likely to mean that less specialist support will be available to jobseekers with complex needs in the future, and there will be a delay in the point at which specialist support will be available with jobseekers expected to remain with Jobcentre Plus prior to referral (two years as opposed to one year currently). The new Work and Health Programme – which will replace the Work Programme and Work Choice in 2017 – will receive up to £130 million a year of core government funding, which is a significant cut in comparison with current programmes. A recent study by the Resolution Foundation² estimated that this implies that a high performing Work and Health Programme might be expected to deliver around 20,000 job outcomes per year – a very long way short of that needed to halve the disability employment gap.
- 3.5 At this level of funding, there are a number of implications for jobseekers with disabilities. First, it is probable that only those jobseekers deemed likely to be able to achieve a ‘job outcome’ within a given time will be referred to the programme. This leaves the prospect of many jobseekers who would be seen as being further from the labour market receiving only Jobcentre Plus support. Given the pressures on JCP and their caseloads, some jobseekers will be left without the required support. Although the JCP’s Flexible Support Fund will continue, this is limited in size and will cater for other jobseekers as well as those with disabilities. As such, disabled jobseekers will face a postcode lottery of provision. It is vital that the impact of these changes are mitigated against in terms of the loss in frontline expertise and capacity of specialist disability employment providers to deliver support to disabled jobseekers and this must be a priority for policymakers as we move towards 2017.
- 3.6 With the roll out of Universal Credit, an additional 1.3 million people who are already in work will be brought under the conditionality regime. The potential impact of in-work conditionality on people with disabilities, particularly those with fluctuating conditions, is potentially highly concerning and should be brought into the scope of the APPG’s current or future inquiries.
- 3.7 The government’s devolution agenda has resulted in a fast changing landscape at a regional and local level reflecting shared responsibilities for shaping local employment support. Co-commissioning and co-design will mean different things in different areas, and this will be reflected by a variety of employment support service models. In response to this, ERSA is working with the Greater Manchester (GM) Combined Authority through its dedicated provider network in relation to the GM/DWP scheme, Working Well, plus the design of future devolved provision. In the West Midlands, the Mental Health Commission, led by the Rt Hon Norman Lamb MP, is exploring a range of mechanisms to increase the quantity of quality IPS (individual Placement and Support) services for those with mental health problems, many of whom could and would like to enter employment. In London, ERSA is working with London Councils on future employment support in the capital. One implication of this is that the landscape of employment support provision may well become far more complex than is currently the case. This has implications not only for jobseekers with disabilities but also for employers wishing to recruit, who may already find the employment support landscape complex and difficult to navigate.
- 3.8 It would be remiss to overlook the recent developments associated with the result of the European Union referendum, which are likely to have significant implications for the support delivered to disabled jobseekers. This could easily form a separate inquiry, but key points to consider would be any economic

² <http://www.resolutionfoundation.org/wp-content/uploads/2016/06/Retention-deficit.pdf>

uncertainty and its related impacts on unemployment levels, as well as the loss of European Social Funding for the organisations which deliver support (potentially from 2018 onwards).

4. Self employment

4.1 There are currently 4,400,000 people in the UK in self-employment (March 2016, ONS Labour Market Statistics). Self-employed people make up roughly 15% of the UK workforce. Helping people to start their own business is an important route into employment and, where appropriate, it can be particularly suited to jobseekers who have caring responsibilities and/or a disability. Although official figures are not collected, ERSA figures collated from prime contractors of the Work Programme suggest that approximately 10 to 15 per cent of 'Job Starts' on the programme are from people starting their own businesses.

4.2 However, the APPG should note that the introduction of Universal Credit is a significant and unwavering threat facing the self-employed on low incomes. Claimants will undergo a 'gateway interview' to determine whether they are 'gainfully' self-employed and will be required to report their earnings on a monthly basis, heaping administrative burdens upon self-employed claimants. Its Minimum Income Floor is likely to cut in-work benefits for thousands of disabled people starting their own businesses and push them back into unemployment. It is vital that this route into the workforce, which can be highly appropriate for a large number of disabled people, is not effectively axed by the introduction of Universal Credit.

5. Technology and accessibility

5.1 ERSA believes that the Access to Work programme should be a cornerstone for supporting people with disabilities to make the necessary adjustments, including through the use of technology, to access work. The Access to Work programme has been shown to be highly successful at supporting people with disabilities or health conditions to enter or remain in work. It has also been shown to reduce absenteeism, increase productivity and improve staff retention. However, take-up of the support remains too low leading to it being termed as the 'government's best kept secret'. For Access to Work to reach its full potential, the programme needs to be opened up and expanded, which will require additional funding. It will also require more publicity, as too often employers have never heard of it, and should be extended to support the jobseekers journey, including the interview process and further down the line when in employment.

5.2 Technology should be better used within the Disability Confident campaign with the development of a national phone number/portal through which employers can gain information about exactly who to connect to in their local area. At present, an employer can google 'Disability Confident', access the gov.uk portal, scroll through a high number of unexciting looking attachments, prior to finding a list of 'Disability Confident' partners – there are 123 of them, none of which are link through to their website and few with an indication of geographical reach.

6. Procurement and jobs creation

6.1 Within procurement activities, it is important to consider supply chains in supporting job creation for jobseekers with disabilities. Whilst increasing awareness and support for employing people with disabilities within private sector corporations is necessary, ERSA believes that much more could be done in the public sector and, in particular, within public sector procurement practices. Currently, too few public sector organisations are successfully employing people with disabilities and more public sector organisations

should consider building in relevant conditions into contracts with those organisations they procure from (and their supply chains).

6.2 ERSA would also caution that the recent focus on apprenticeships must not preclude jobseekers with disabilities from undertaking an apprenticeship, as recent research from London Councils has found. The government must ensure that a variety of apprenticeships continue to be delivered so as to avoid a negative impact on take-up from people with disabilities. ERSA recommends that additional funding accrued by the Apprenticeship Levy should be channelled towards designing apprenticeships which incorporate support for more people with disabilities to be able to access them.

7. Conclusion

7.1 When considering the questions posed by this inquiry, it is important to note of the context within which the government is seeking to halve the disability employment gap, with particular reference to the forthcoming Work and Health Programme. Whilst ERSA strongly welcomes the government's focus, and believes that a range of good initiatives have been put in place, looking forward the level of specialist employment support available is likely to be too low to make a sufficient impact, whilst the introduction of Universal Credit for disabled jobseekers wishing to start their own businesses is likely to mean many more are prevented from entering the labour market in the future.

7.2 For more information contact policy@ersa.org.uk

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