

## House of Commons Work and Pensions Committee

# Disability employment gap

### **Second Report of Session 2021–22**

Report, together with formal minutes relating to the report

Ordered by the House of Commons to be printed 22 July 2021

#### **Work and Pensions Committee**

The Work and Pensions Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Work and Pensions and its associated public bodies.

#### **Current membership**

Stephen Timms MP (Labour, East Ham) (Chair)

Debbie Abrahams MP (Labour, Oldham East and Saddleworth)

Shaun Bailey MP (Conservative, West Bromwich West)

Siobhan Baillie MP (Conservative, Stroud)

Neil Coyle MP (Labour, Bermondsey and Old Southwark)

Steve McCabe MP (Labour, Birmingham, Selly Oak)

Nigel Mills MP (Conservative, Amber Valley)

Selaine Saxby MP (Conservative, North Devon)

Dr Ben Spencer MP (Conservative, Runnymede and Weybridge)

Chris Stephens MP (Scottish National Party, Glasgow South West)

Sir Desmond Swayne MP (Conservative, New Forest West)

#### **Powers**

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the internet via www.parliament.uk.

#### **Publication**

© Parliamentary Copyright House of Commons 2021. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at www.parliament.uk/site-information/copyright-parliament.

Committee reports are published on the <u>publications page</u> of the Committee's website and in print by Order of the House.

#### Committee staff

The current staff of the Committee are Morenike Alamu (Committee Operations Officer), Henry Ayi-Hyde (Committee Operations Officer), David Betteley (Committee Specialist), Harrison Card (Assistant Policy Analyst), Oliver Florence (Senior Media and Communications Officer), Anne-Marie Griffiths (Clerk), Ed Hamill (Committee Operations Manager), Ailish McAllister-Fisher (Second Clerk), Dr Libby McEnhill and James Mirza Davies (Senior Committee Specialists).

#### Contacts

All correspondence should be addressed to the Clerk of the Work and Pensions Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 8976; the Committee's email address is workpencom@parliament.uk

You can follow the Committee on Twitter using @CommonsWorkPen

### **Contents**

Su	mmary	3
	Targets and measures	3
	Employment support	3
	In-work support	4
	Impact of the coronavirus pandemic	5
	The disability benefits system	6
	DWP's engagement with disabled people	6
Int	roduction	7
	Our inquiry	8
	The National Strategy for Disabled People and the Green Paper	8
1	Measuring disability employment	10
	The Government's target	10
	Absolute and relative targets	11
	Collecting data on disability employment	14
	Data collection based on symptom groups	17
	Mandatory reporting for employers	17
2	Employment support	20
	DWP's existing employment support provision	20
	Employment support: a local or national approach?	21
	Individual Placement and Support (IPS)	26
	Support from Jobcentre Plus	27
	Accessibility of Jobcentre Plus services	28
	Disability Employment Advisers	29
	Job carving	30
3	In-work support	33
	Disability and reasonable adjustments	33
	Reasonable adjustments: enforcement of the law	34
	Guidance for employers: an online information hub	35
	Access to Work	36
	The call centre system	39
	Access to Work "passports"	40
	Disability Confident	42
	"Health is everyone's business"	46

4	Impact of the coronavirus pandemic	50
	Impact of the pandemic on the labour market for disabled people	50
	Impact of the pandemic on trends in the disability employment gap	53
	Impact of remote working	53
	The Kickstart and Restart schemes	57
	Data collection	58
	Creaming and parking	59
5	The disability benefits system	
	The Work Capability Assessment	63
	Sanctions and conditionality	65
	DWP's relationship with disabled people	67
	Issues of trust towards DWP	67
	Engagement with disabled people	68
Conclusions and recommendations		
Formal minutes		79
Witnesses		
Pul	olished written evidence	82
Lis	t of Reports from the Committee during the current Parliament	86

### Summary

Disabled people are considerably less likely to be in employment than non-disabled people. The disability employment gap—that is, the difference between the proportion of disabled and non-disabled people in employment—stands at nearly 30 percentage points. Since 2013, the gap has closed by five percentage points and the number of disabled people in employment has risen by 1.3 million. But disabled people still face unacceptable barriers to finding, staying in and progressing in work. The Government plans to set out its stall for how it will break down these barriers in its long-awaited National Strategy for Disabled People and Green Paper on health and disability support, It published the Green Paper, Shaping Future Support, on 20 July and has indicated that the Strategy will be published in the week of 26 July. We expect to scrutinise both documents in the months to come.

### **Targets and measures**

The Government has set a target of getting one million more disabled people into work by 2027. That replaced its previous target of halving the disability employment gap. It seems to be on track to reach this goal. But the rising number of disabled people in employment is largely down to increases in the number of people reporting that they are disabled and to overall improvements to the labour market, which have also benefited non-disabled people. The Government needs a meaningful and effective target against which the success of its policies can be measured. It should re-adopt its previous target of halving the disability employment gap and combine it with a new, more ambitious target of getting an additional 1.2 million disabled people into work—equivalent to halving the disability employment gap at today's employment levels—by 2027. It should also improve how it collects data about the employment status of people with specific conditions.

Mandatory reporting, which would require employers to report the proportion of their workforce who are disabled, has been proposed as a means of holding employers to account on hiring disabled people and creating inclusive workplaces. Large employers (with 250 employees or more) should be required to publish data on the proportion of disabled people who they employ. The disability pay gap remains high: disabled people still earn less, on average, than non-disabled people. The Government must set ambitious targets for reducing this gap.

### **Employment support**

DWP should carry out a radical overhaul of its approach to employment support for disabled people. As a large-scale national programme, the Work and Health Programme is not working for many disabled people: it is smaller, specialist providers that are best placed to deliver the support that they need. We propose that funding for the Work and Health Programme and successor programmes should be devolved. The default position should be that groups of local authorities, perhaps based on the recently defined NHS integrated care system boundaries, are responsible for commissioning and delivering employment support for disabled people in their area, with DWP responsible for allocating funding, monitoring performance, and publishing detailed comparative

performance data. This support should be closely integrated with the NHS, education providers and the third sector. We recognise, however, that not all local authorities will have the capability needed to provide this support: in those areas, DWP should remain responsible for delivering employment support.

DWP, working closely with the NHS and the Department of Health and Social Care, should also expand the provision of Individual Placement and Support, a model of employment support that has had a transformative impact on the employment prospects of some people with severe mental illness.

Some disabled people we heard from spoke highly of a technique called job carving. Job carving is when an employer tailors or creates roles that best match the skills of an employee. The Equality and Human Rights Commission has identified job carving as a method which could improve disabled peoples' employment outcomes. The Department already encourages providers of some of its disability programmes to engage with employers to job carve roles for participants, but it could and should do more. We recommend that, as part of its National Strategy for Disabled People, DWP should provide detailed guidance to employers and providers of its programmes about how they can job carve roles for disabled people.

### **In-work support**

Out-of-work support is a substantial part of DWP's business and getting disabled people into work is vital in closing the disability employment gap. But it is equally important that employers are supported to keep workers on who develop a health condition while they are in work, and that disabled people have opportunities to progress at work that are on a par with non-disabled people. As well as monitoring the absolute number of disabled people who are in employment, the Government should also monitor the rate at which disabled people leave or remain in work compared to their non-disabled counterparts.

While the law requires employers to make reasonable adjustments to support disabled workers, in reality, some employers either do not understand their obligations or deliberately flout them. The Government must ensure that employers have access to support and guidance on reasonable adjustments through its new online information hub, and it should consider "naming and shaming" those who deliberately ignore or breach the law. In July 2021, the Department published its response to the *Health is everyone's business* consultation. This sets out the Government's next steps on ways of stemming the flow of people with long-term health conditions out of employment, including the case for providing financial support for smaller employers to purchase occupational health services.

Too many disabled people find it difficult to access support through Jobcentre Plus because its services do not meet their accessibility needs. We have heard about BSL users who weren't offered an interpreter, and people with visual impairments not being assisted whilst inside Jobcentres. The fact that the government department whose ministerial team includes the Minister for Disabled People has not made its services accessible to all is simply unacceptable. DWP must take urgent steps to rectify this by investing in and expanding its provision of alternative formats for its communications with disabled

people. It should also ensure that all Jobcentre Plus staff receive impairment-specific disability training.

Access to Work is a government scheme which provides practical advice and support to disabled people and their employers to help them overcome work-related obstacles resulting from disability. It can be a vital source of support. But the scheme is dogged by a bureaucratic, cumbersome and time-consuming application process, which can put people off applying and leaves many people in limbo while they wait to find out what support they will receive. The Minister told us that the application process will undergo a "digital transformation": DWP should use this opportunity to work with disabled people to redesign the application process entirely, and expand the use of bureaucracy-reducing measures such as Access to Work passports.

Disability Confident is a government programme which aims to influence, promote, and educate employers on the benefits of recruiting and retaining disabled employees. It has been successful at raising awareness of disability employment issues and its aims are laudable. But we heard throughout our inquiry that the scheme was not making any measurable impact on increasing the number of disabled people in work. The scheme has been described by many as a tick box exercise, with requirements for employers not being robust or challenging enough, and we heard concerns that the scheme is overreliant on self-certification as a means of awarding accreditation to employers. In July 2018, in response to our predecessor Committee's report, the Department said that it was developing proposals for an evaluation of Disability Confident. But those proposals were never published. To assess whether the scheme is meeting its objectives, DWP should now urgently announce its plans to carry out a comprehensive evaluation of Disability Confident, and commit to a specific timetable for publishing the evaluation. The Department's evaluation should explore ways in which the success of the scheme can be measured, the actions that the Department could take against employers failing to meet their obligations, and consider whether the existing criteria are sufficiently challenging and encourage meaningful change from employers.

### Impact of the coronavirus pandemic

While it is still too early to evaluate the long-term impacts of the pandemic on disabled peoples' employment, early evidence we heard suggests that the pandemic has had a disproportionate impact on disabled people, with 71% of disabled people having their work impacted by the pandemic, compared to 61% of non-disabled people. We also heard that disabled people are more likely to be working in sectors that were forced to close during the pandemic, more likely to be at risk of redundancy, and more likely to be working reduced hours than non-disabled people.

To support people back into work after the pandemic, the Government has announced two major employment support schemes: Kickstart and Restart. However, longstanding deficiencies in the collection and storage of claimant data in the Universal Credit system mean that the Department cannot effectively measure, in real time, how well both schemes are working for disabled people. DWP has said that it will publish data on the outcomes of disabled people who participate in each scheme, but only after evaluations of the schemes have taken place. This is not good enough. In our previous Report, DWP's preparations for changes in the world of work, we concluded that longstanding

deficiencies in the collection and storage of claimant data in the Universal Credit system meant the Department cannot effectively measure how well both schemes are working for disabled people. In that report, we recommended that DWP should urgently make improvements to the Universal Credit system, to enable it to record and use data about claimants' characteristics. We reiterate that recommendation in this report. DWP should immediately improve how it collects data about claimants' characteristics in the Universal Credit system so that it can monitor, in real time, how well the Kickstart and Restart schemes are working for disabled people, and regularly publish the results.

Remote working has become more popular and more essential during the pandemic. For some disabled people, remote working has created new barriers to employment, particularly with accessing and using digital technology. For others, however, it has aided their participation in the labour market, with disabled people telling us that they are able to manage their conditions better when working from home. The Government should work with employers to ensure that disabled people who can and want to work remotely are supported to do so after the pandemic where it is feasible. To that end, we recommend the Government should amend current legislation and give workers the statutory right to request flexible working from the beginning of their employment.

### The disability benefits system

In its Green Paper, DWP says that it will consider how to address issues with the disability benefits system in the short- and medium-term. It must listen to disabled people's experiences as part of the consultation process and use this to inform its approach to reforming the disability benefits system. The Work Capability Assessment, which is designed to assess whether a person is "fit for work", is not fit for purpose. DWP needs to rethink its approach to assessments for disability benefit assessments. The system of repeat assessments and the punitive nature of DWP's sanctions and conditionality regime can trap claimants in a cycle of anxiety, pushing them further away from the labour market. As the Minister accepts, it is in no one's interest for a sanction to be imposed. DWP should reconsider its approach to sanctioning disabled claimants; it should also commit to reducing the number of disability benefit claimants who are subject to conditionality and decrease the value of sanctions. The Department should also set out the action it has taken in response to our predecessor Committees' recommendations on benefit sanctions, including their recommendations that some groups should be exempt from sanctions and that DWP should explore options for nonfinancial sanctions and for a warning system.

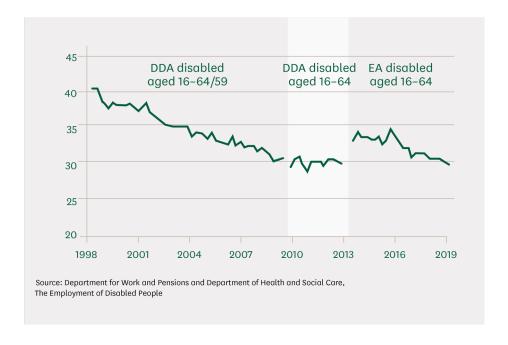
### DWP's engagement with disabled people

Issues of trust continue to hamper the relationship between DWP and disabled people. The Department itself has described the lack of trust towards it from disabled people as a barrier to the delivery of its services. We also heard that engagement with disabled people on the development of the Government's National Strategy for Disabled People has been underwhelming and poorly conducted. The Social Security Advisory Committee has called on DWP to adopt a protocol for its engagement with disabled people. We urge the Department to accept that recommendation as a first step towards improving its approach.

### Introduction

1. The "disability employment gap" is a term used to refer to the difference in employment rates between disabled and non-disabled people. The gap currently stands at around 29 percentage points. The graph below shows how the gap has changed since 1998:

Figure 1: The disability employment gap, 1998–2019 (as defined by the Disability Discrimination Act 1995 and the Equality Act 2010)



Source: Department for Work and Pensions and Department of Health and Social Care, The Employment of Disabled People, March 2020

It is wider for people with certain types of disabilities or health conditions: people with learning disabilities, mental health problems and epilepsy, and people with multiple health conditions, are least likely to be in employment. Not all disabled people will want or be able to work, but those who do should be supported to do so.

2. The Government has set a target of getting one million more disabled people into work by 2027, replacing its previous target of halving the disability employment gap. Over the past decade, the number of disabled people in work has risen; in October-December 2019, there were 4.1 million disabled people in employment, compared to 2.9 million during the same period in 2013. Over the same period, the disability employment gap closed by five percentage points. The Government has made some welcome efforts to increase the number of disabled people in employment, but not all of these measures have been effective. In addition, disabled people still face significant barriers to both finding and remaining in work. This report sets out further steps that the Government can take to break those barriers down.

### **Our inquiry**

- 3. We launched our inquiry on 3 November 2020, two days before the beginning of the second national lockdown in response to the coronavirus pandemic. Upon launch, we sent out a call for evidence seeking views on a number of key issues, including: the economic impact of low employment and high economic inactivity rates for disabled people; the impact of the pandemic on disabled peoples' employment rates; the enforcement of reasonable adjustments; and what should be included in the Government's upcoming National Strategy for Disabled People. We also sought views on the effectiveness of disability support programmes such as Access to Work and Disability Confident in helping disabled people into, and whilst in, work.
- 4. 193 organisations and individuals submitted written evidence to our inquiry. This included 108 written submissions from disabled people who shared their views through a survey conducted by the disability charity Scope. In our first oral evidence session, held in January 2021, we heard from Dame Carol Black, and Joshua Reddaway of the National Audit Office. In subsequent evidence sessions we took evidence from academics and multiple disability organisations that represent a range of different impairment groups. We also took evidence from local authorities and providers of the Work and Health Programme on the benefits of locally commissioned disability employment support. In our final evidence session, held in May 2021, we questioned the Minister for Disabled People, Health and Work, Justin Tomlinson MP, and officials from DWP, on the evidence that we heard over the course of our inquiry. We are grateful to everybody who submitted evidence to our inquiry.
- 5. We know that decisions affecting disabled people are too often made without them being consulted or listened to. As part of our inquiry, we held an online roundtable event with disabled people on 22 April to directly hear the views and experiences of the barriers that disabled people face accessing the labour market, and what more the Government could do to support disabled people into employment. We are hugely grateful to everybody who took the time to participate in our event and for sharing their personal stories with us.

### The National Strategy for Disabled People and the Green Paper

- 6. In the Queen's Speech 2019, the Government announced its intention to publish a new National Strategy for Disabled People, which it said would "reduce the disability employment gap." DWP also committed in the Queen's Speech 2019 to publishing a Green Paper on health and disability support, which it said would "explore how the welfare system can better meet the needs of disabled people and those with health conditions". 3
- 7. When she appeared before the Committee in September 2020, the Secretary of State said that she expected the Green Paper to be published before the end of the fiscal year.<sup>4</sup> Giving evidence again in February 2021, she said again that she hoped it would be published "before the end of March".<sup>5</sup> When he gave evidence to us in May 2021, the Minister for Disabled People, Health and Work explained that the Green Paper was ready

<sup>2</sup> Prime Minister's Office, The Queen's Speech 2019, 19 December 2019

<sup>3</sup> Prime Minister's Office, The Queen's Speech 2019, 19 December 2019

<sup>4</sup> Oral evidence taken on 30 September 2020, HC (2019–21) 178, Q224

<sup>5</sup> Oral evidence taken on 3 February 2021, HC (2019–21) 178, Q475

and that the delay in publishing was because the Government's communications were focused on the response to coronavirus. He told us: "we are anticipating to be able to do that before the summer, so before Parliament rises for the summer, subject to Covid." He said that the National Strategy was also "very close to being ready", but was not able to confirm whether the two documents would be published simultaneously.<sup>6</sup>

- 8. In the event, the Green Paper was published at about 6pm on Tuesday 20 July. It was accompanied by the Government's response to a consultation, *Health is everyone's business*, which had set out proposals for reducing ill health-related job loss. That consultation closed on 7 October 2019. We understand that the Government now plans to publish the Strategy in the week of 26 July, when Parliament will not be sitting.
- 9. It is regrettable that the publication of three key documents—the Green Paper, the National Strategy and the Government's response to the "Health is everyone's business" consultation—has been delayed significantly over the course of our inquiry. The Government's approach to the timing of their publication has severely limited Parliament's opportunities to scrutinise these important policy documents. In finalising this report, we have had only one working day to consider the two papers that have been published, and so we address them only briefly. We have had no sight at all of the National Strategy for Disabled People. We very much hope that the Government will set out in the Strategy a clear plan for reducing the disability employment gap over the next five years. We expect to scrutinise all three documents further in the months to come.

### 1 Measuring disability employment

### The Government's target

- 10. In a 2017 policy paper, *Improving Lives: the future of work, health and disability*, the Government announced its ambition to get one million more disabled people into work by 2027. Analysis by the House of Commons Library shows that there would need to be 4.5 million disabled people in work by 2027 to meet the Government's target. From June to September 2020, 4.3 million disabled people were employed compared to 2.9 million from April to June 2013. DWP attributes this rise to factors such as overall improvements in the labour market (illustrated by the fact that the number of non-disabled people in work has also increased), a relative increase in the number of disabled people in work compared to non-disabled people, and increased prevalence of disability within the population. <sup>10</sup>
- 11. The Government's target is sometimes described as an "absolute" target, because it focuses on the actual number of disabled people in employment, independent of the number of non-disabled people. "Relative" targets, such as the disability employment gap, are based on a comparison of the number of disabled people and non-disabled people in employment. Critics of the absolute target have argued that the increase in the number of disabled people in work is distorted by the rising prevalence of disability in the population—that is, the number of people reporting that they have a disability—and overall improvements to the labour market (illustrated by the fact that the number of non-disabled people in employment over the same period has also increased). Relative targets, some argue, provide a better picture of how disabled people are faring in the labour market compared to their non-disabled counterparts. But relative targets also have disadvantages. For example, the disability employment gap could narrow even if the number of disabled people in employment decreases, if the number of non-disabled people in work falls at a higher rate.
- 12. The Minister for Disabled People, Health and Work, Justin Tomlinson MP, described the Government's progress towards its target as "something to celebrate". The National Audit Office (NAO), however, has said that the Government's target "cannot be used to measure the success of its efforts". In its 2019 report, *Supporting disabled people to work*, the NAO said that while the number of disabled people in work had increased, the Department itself had acknowledged that the increase "cannot be attributed directly to any particular cause, including its policies or programmes", and that other factors, such as an overall rise in employment levels and the number of people reporting that they have a disability, have contributed to the increase. The NAO noted that, while the number of disabled people in work had increased in the previous five years, the number of disabled people out of work had remained the same, at around 3.7 million. The Nacional Tombian Progression of the previous five years, the number of disabled people out of work had remained the same, at around 3.7 million.
- 13. In 2019, the previous Secretary of State for Work and Pensions, Amber Rudd,

Department for Work and Pensions and Department of Health, <u>Improving lives: the future of work, health and disability</u>, November 2017, p.8

<sup>8</sup> Disabled people in employment, Briefing Paper 7540, House of Commons Library, May 2021

<sup>9</sup> ONS (DEG0085)

<sup>10</sup> DWP (DEG0171)

<sup>11</sup> Q208

<sup>12</sup> National Audit Office, Supporting disabled people to work, 28 March 2019, p.6

<sup>13</sup> Ibid.

announced her intention to review the Government's target during a speech made at the disability charity Scope, in which she said that she wanted to "set a new and more ambitious goal". We asked the Minister whether the Department had reviewed the target following the former Secretary of State's speech; in response, he told us that no work had been done on this. He did, however, say that the Department intends to adopt a new "ambitious" target that will "continue to focus minds". He Minister also told us that this new target would be "codesigned" through the consultation process launched alongside the Department's Green Paper on health and disability support. The Green Paper, however, makes no mention of a new target, and reiterates the Government's commitment of getting one million more disabled people into work by 2027.

### Absolute and relative targets

14. The 2015 Conservative Party manifesto set a target of halving the disability employment gap, although it did not specify a timeframe for achieving this. <sup>19</sup> Since 2015, the gap has reduced by 5.2 percentage points; it would need to decrease by a further 12 percentage points to meet the Government's previous target of halving the gap. <sup>20</sup> The graph below shows how the gap has narrowed since 2015:

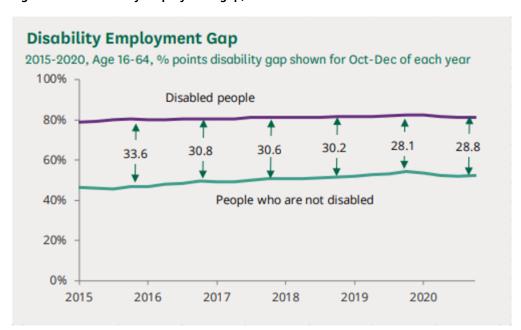


Figure 2: The disability employment gap, 2015-20

Source: Disabled people in employment, Briefing Paper 7540, House of Commons Library, May 2021

15. We heard evidence that, while relying on the disability employment gap as a measure of disabled people's experiences of work has its limitations, reducing the gap remains a useful target. Tom Pollard, an independent policy expert who has previously worked

<sup>14</sup> Department for Work and Pensions, Speech: Closing the gap between intention and experience, 5 March 2019

<sup>15</sup> Q206

<sup>16</sup> Q207

<sup>17</sup> Q207

Department for Work and Pensions, <u>Shaping Future Support: The health and disability Green Paper</u>, 20 July 2021, p.8

<sup>19</sup> Conservative Party, Manifesto, 2015

<sup>20</sup> Disabled people in employment, Briefing Paper 7540, House of Commons Library, May 2021

for DWP, said that the disability employment gap is a useful indicator but alone is "not sufficient for demonstrating meaningful progress".<sup>21</sup> He said, however, that there should be a "general target" aimed at closing the disability employment gap.<sup>22</sup> Rob Geaney of the Royal National Institute for Deaf People (RNID), a charity that supports Deaf people and people with hearing loss, described closing the gap as a "necessary target", but one that, by itself, does not provide a full picture of other issues that disabled people in employment face, such as pay and career progression.<sup>23</sup>

- 16. We asked the Minister why the Government had chosen to adopt an absolute target of increasing the number of disabled people in work in place of a relative target of reducing the gap. He told us that the absolute number has always been his "personal preference", and that although the Department still measures the disability employment gap, the relative target "has its limitations". The Minister argued that, by way of example, the disability gap had closed over the previous 12 months, but that the absolute number of disabled people in work had decreased because of the pandemic, suggesting that the closing of the gap does not necessarily represent any actual improvement in disabled people's employment status.<sup>24</sup>
- 17. The Government's decision to adopt an absolute target in place of a relative one has received criticism. The Trades Union Congress (TUC), which estimates that it would take around three decades to eliminate the gap completely, described the Government's decision to adopt a new target in 2017 as a "disappointing reduction in ambition". Professor Melanie Jones of Cardiff Business School said that the Government's target is "not sufficiently ambitious", and that at the time of its introduction, wider employment trends suggested that the Government would meet it "just on the basis of prior performance". Professor Melanie That the Government would meet it pust on the basis of prior performance. The Government's target of getting one million more disabled people into work was equivalent to halving the disability employment gap at the time, but that changes in overall employment levels and the rise in disability prevalence means that this is no longer the case. Around 200,000 more disabled people need to be in employment for the Government's target to be met.
- 18. The Centre for Social Justice Disability Commission, chaired by Lord Shinkwin, recommends that the Government should return to its previous target of halving the gap as, it argues, progress towards the Government's absolute target is "distorted" by the increased prevalence of disability in the population.<sup>28</sup> Professor Melanie Jones and Professor Victoria Wass also argue that absolute measures are susceptible to the increased prevalence of disability and wider economic trends.<sup>29</sup>
- 19. The proportion of the population who are disabled increased from 16.4% in 2013 to 19.9% in 2020.<sup>30</sup> Professor Jones and Professor Wass say that this increase is largely caused by "broadened social interpretation of disability as awareness and acceptability of disability has grown" rather than changes in levels of health and functional impairment.<sup>31</sup>

```
Tom Pollard (DEG0003)
21
22
      Q72
      Q159
23
      Q203
24
      Trades Union Congress (DEG0134)
25
26
27
28
      Centre for Social Justice Disability Commission (DEG0123)
29
      Professor Melanie Jones and Professor Victoria Wass (DEG0002)
30
31
      Ibid.
```

Academics at the University of York and the University of Sheffield, in their submission to our inquiry, said that the increased prevalence of mental health problems is a significant factor behind the rise in disability prevalence.<sup>32</sup> Joshua Reddaway, Director for Work and Pensions, Value for Money, at the NAO suggested that the rise in prevalence could be caused by an increase in number of people in employment reporting that they are disabled:

[...] Over time the number of people who have responded "Yes", they are self-defining as disabled, has gone up year on year. What is interesting is that it is only people who are in employment where that trend has happened. There has been no similar trend in people who are either unemployed or out of work. What you have seen is this gradual increase in people in employment. In fact, it is pretty staggering numbers.

It is perfectly possible that what is happening there is that there is a general increase in disability in our society. [...] It is more likely that there is something going on in the workplace where more people are willing to say that they are disabled in greater numbers.<sup>33</sup>

- 20. Professor Jones and Professor Wass recommend that, instead of relying on a single measure, the Government should use a "set of indicators" when monitoring disability employment.<sup>34</sup> They said that the Prevented from Working by Disability (PWD) measure, which multiplies the disability employment gap by the disability prevalence rate, is a "valuable measure for policy, whether or not it replaces or supplements the disability employment gap measure", as it takes the prevalence of disability into account. They acknowledged, however, that there is disagreement over whether it should be the Government's headline measure.<sup>35</sup> In addition, they recommend that the Government should monitor progress against a "basket of indicators" such as the size of the gap for different impairment groups and demographic groups, the gap between how much disabled and non-disabled workers are paid, and other indicators of job quality such as disability gaps in wellbeing at work and the number of people in precarious forms of work.<sup>36</sup>
- 21. Professor Jones and Professor Wass also recommended that the Government should monitor the rate at which disabled people leave and acquire work.<sup>37</sup> The rise in the number of disabled people in work has been attributed to the fact that it has become easier for disabled people to find employment. Scope, however, said that disabled people face greater barriers to staying in, and are more likely to fall out of, work: its analysis of ONS data found that disabled people are more likely to more likely to move out of work (at a rate of 4–5% compared to non-disabled people [2–3%]).<sup>38</sup> In its Green Paper on health and disability support, the Department acknowledged that, to improve employment outcomes for disabled people, ensuring that they are supported to remain in work is "equally important" as supporting people to find work.<sup>39</sup> It has also set out how it intends

<sup>32</sup> Professor Jennifer Roberts, Dr Mark Bryan, Dr Andrew Bryce, Professor Nigel Rice and Dr Cristina Sechel (DEG0132)

<sup>33</sup> Q28

<sup>34</sup> Professor Melanie Jones and Professor Victoria Wass (DEG0002)

<sup>35</sup> Professor Melanie Jones and Professor Victoria Wass (DEG0188)

<sup>36</sup> Ibid.

<sup>37</sup> Ibid.

<sup>38</sup> Scope (DEG0147)

<sup>39</sup> Department for Work and Pensions, Shaping Future Support: The health and disability Green Paper, 20 July 2021, p.22

to ensure that more disabled people are supported to stay in work in its response to the 2019 consultation, *Health is everyone's business*.<sup>40</sup>

- 22. There is broad support for the premise that the Government should have a target for improving disabled people's employment rates. Views about what that target should be, however, differ. Both absolute and relative targets have drawbacks. Although the overall number of disabled people in work has increased since 2013, this is largely because of factors such as overall improvements to the labour market, which have also affected non-disabled people, and an increase in the prevalence of disability. It does not appear to be as a result of substantial progress in addressing the specific barriers that disabled people face to finding and staying in work. A relative measure, on the other hand, provides a clearer picture of disabled people's experiences of the labour market compared to their non-disabled counterparts, but reducing the gap is not necessarily a sign that more disabled people are in work: it could be that the number of non-disabled people in work has decreased. To be meaningful and effective, the target needs to combine both absolute and relative elements, to benefit from the advantages of both and to mitigate their disadvantages.
- 23. We recommend that the Government adopt a target with two elements: closing the disability employment gap and increasing the number of disabled people in work. It should re-adopt its previous target of halving the disability employment gap. Alongside this, it should adopt a new, more ambitious absolute target aimed at increasing the number of disabled people in work, as its current target is not sufficiently stretching. At today's employment levels, halving the disability employment gap would mean that around 1.2 million more disabled people need to be in work (assuming that the number of non-disabled people in work stays roughly the same). The Government should adopt this as its absolute target, which it should aim to achieve by 2027. We were disappointed to find that the Green Paper on health and disability support does not make any reference to a new target. The Government must use its National Strategy for Disabled People to set out its plans to adopt—and achieve—a more ambitious target instead.
- 24. In isolation, however, even the measures underlying this target do not give a full picture of the Government's progress on disability employment or disabled people's experiences of work. Instead of relying on a single measure, the Government should collect data against a set of indicators. It should continue to monitor the absolute number of disabled people who are in employment and the rate at which disabled people leave or remain in work compared to their non-disabled counterparts. In addition, it should measure the difference in average pay between disabled and non-disabled workers and consider adopting further measures of disabled people's job quality. The Government should also consider adopting the Prevented from Working by Disability measure, which accounts for the prevalence of disability in the population, as an additional indicator against which it can measure progress.

### Collecting data on disability employment

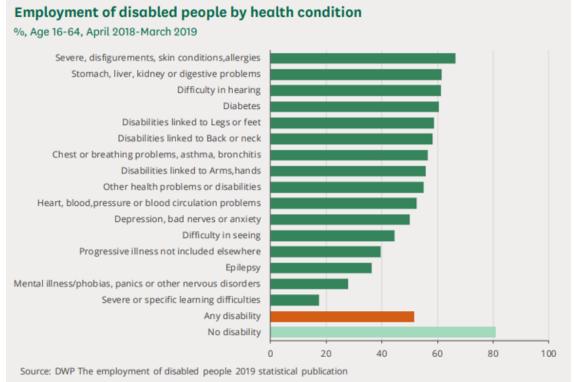
25. The Government collects data on disabled people's employment from three main sources: the ONS Labour Force Survey (LFS), the ONS Family Resources Survey (FRS), and the Understanding Society (USoc) survey, which is led by the Institute for Social and

Department for Work and Pensions and Department of Health, <u>Health is everyone's business: government</u> response, July 2021, CP 509

Economic Research at the University of Essex. While the LFS uses different methodology from the other two surveys, DWP says "comparisons between the three surveys show similar patterns and trends in disability employment across a number of years".<sup>41</sup>

26. We heard that using a single measure of the disability employment gap can mask wide disparities in employment rates between different impairment groups. Data show that people with learning disabilities, mental health problems and epilepsy are least likely to be in employment, and that disabled people with multiple health conditions are less likely to be in employment than people with only one condition (62% of disabled people with one health condition were in employment from April 2018–March 2019, compared to 54% of people with two and only 26% of people with five or more conditions). The graph below shows the employment rates of people by impairment group:





Source: Disabled people in employment, Briefing Paper 7540, House of Commons Library, May 2021

27. Dr Mark Bryan told us that the disability employment gap is higher for people with mental health conditions than people with physical conditions:

Fixing the disability employment gap is a very crude target anyway and there are several different disability employment gaps. You can define the gap according to gender, education level or type of condition. For example, the mental health disability gap, at 35 percentage points, is significantly larger than the physical health disability gap of 25 percentage points. The gap also varies a lot by region. This kind of crude measure does not take account of these things. 43

<sup>41</sup> DWP (DEG0171)

<sup>42</sup> Disabled people in employment, Briefing Paper 7540, House of Commons Library, May 2021

<sup>43</sup> Q72

28. The Business Disability Forum (BDF), a non-profit membership organisation, said that people with complex conditions such as deafblindness, speech impairments and severe energy-limiting conditions such as fibromyalgia and ME also face significant barriers to employment. We also heard that the disability employment rate can vary within broad impairment groups. The RNID, for example, told us that current data do not capture the variations in employment rates between people with hearing loss. It said:

We do not believe that the ONS currently collects the required data in order to make an informed judgement about the employment opportunities of different people within the group identified within the Labour Force Survey as having 'difficulty in hearing'. When we refer to deaf people we use that to capture anyone with a hearing loss—from those who have what is clinically defined as a 'mild' hearing loss (defined as 25–40db, and means that someone may not be able to hear speech in a noisy environment) to those with a profound hearing loss (hearing at 90+db) and those who would consider themselves culturally Deaf and use British Sign Language as their primary language.<sup>45</sup>

- 29. Several witnesses we heard from during our inquiry recommended that the Government should make improvements to how it collects data about employment rates for people with different health conditions or impairments. The National Autistic Society (NAS) has previously called for the ONS to collect data about the number of autistic people in work. In July 2019, the Minister told the House that DWP was working with the ONS to add questions on autism to the Labour Force Survey. He subsequently said that the ONS had added these questions to LFS interviews carried out from January 2020. King evidence on 19 May, the Minister could not tell us when this data would be published, but he described the addition of questions on autism as a "positive development". When asked if there were plans to collect more data relating to other specific impairments, he said that the Government plans to explore this through its forthcoming Green Paper and National Strategy for Disabled People.
- 30. We welcome the fact that questions about autism have been added to the ONS Labour Force Survey, which will enable the Government to collect more detailed data about autistic people's experiences of work. The Government should commit to publishing this data as soon as possible. It should also set out how it will collect more data on other impairment groups.

#### Data collection based on symptom groups

31. The ONS' Labour Force Survey collects data based on diagnosis or which bodily systems are affected by a particular condition, rather than the symptoms that people experience. Catherine Hale, Founder and Director of the Chronic Illness Inclusion Project, a user-led organisation for people with energy-limiting chronic illness, energy limitation and chronic pain, described this as "an outdated medical model way of looking

<sup>44</sup> Business Disability Forum (DEG0163)

<sup>45</sup> RNID (DEG0120)

<sup>46</sup> National Autistic Society (DEG0121)

<sup>47</sup> HC Deb, 2 July 2019, col 1180

<sup>48</sup> PQ <u>1761</u>

<sup>49</sup> Q211

<sup>50</sup> Q212

at disability in groups of disabled people".<sup>51</sup> She said that, according to data from the Family Resources Survey, one in three disabled people experience "impairment of stamina, breathing or fatigue", and that these symptoms are shared by people with a range of health conditions, including autoimmune and musculoskeletal conditions, respiratory illness, fibromyalgia and long Covid. She recommended that the way data is collected through the LFS should be "redesigned" so that it allows for the collation of data about the employment status of people experiencing this broad category of symptoms, even if they have different diagnoses.<sup>52</sup>

32. When asked whether the Department would consider collecting data based on symptom groups, the Minister said that it is "always receptive to actively exploring further opportunities to have richer data". Giving evidence alongside the Minister, Angus Gray, Director for Employers, Health and Inclusive Employment at DWP, said:

On the pure data side, we rely on the ONS labour force survey, so there are sample size limitations to how detailed the breakdown can be, because it is a sample-based methodology survey. But, as the Minister said, we are always keen to have conversations with them and with stakeholders about whether it can be improved. I think there will always be a limit to the specificity you can get to. I suppose there is a more general point about what the individual will most likely identify with and, therefore, answer. I do not have a view on that, but I guess that would be one of the questions you would ask: is that more likely to be easier for them to identify with, symptom-based things or diagnoses?<sup>53</sup>

33. The ONS' Labour Force Survey (LFS) is currently unable to capture how people affected by the same broad symptom groups, such as energy limitation, are in employment. This is because the questions in the survey focus on medical diagnosis rather than symptoms. We recommend that DWP should work with the ONS to explore how it can use the LFS to collect employment data about people in groups who are affected by similar symptoms, even if they have different underlying diagnoses. This should include, but not be limited to, people affected by symptoms such energy limitation and stamina impairment, which can span a number of different medical conditions.

### **Mandatory reporting for employers**

34. Some organisations have suggested that requiring employers to publish data on how many or what proportion of their employees are disabled could help to address the disability employment gap. Lord Shinkwin, Chair of the Centre for Social Justice's Disability Commission, told us that mandatory reporting is "essential" for making progress towards closing the gap, citing the success of gender pay gap reporting. He said:

[Mandatory reporting] is absolutely vital because, as we have seen with mandatory gender pay gap reporting, that has moved the conversation in the boardroom on. [...] The transparency and consistency that comes with workforce reporting is essential if we are to make measurable and tangible progress in closing or reducing the disability employment gap.<sup>54</sup>

<sup>51</sup> Q181

<sup>52</sup> Ibid.

<sup>53</sup> Q214

<sup>54</sup> Q133

- 35. Some organisations, while supportive of mandatory reporting in principle, stressed that care needs to be taken to ensure that the data it produces is accurate. Martin Sigsworth of the Thomas Pocklington Trust, a charity that supports blind and partially-sighted people, said that requiring employers to publish data on the number of disabled people they employ could help disabled people to identify "which employers do employ disabled people and are walking the walk".<sup>55</sup> He said, however, that some blind and partially-sighted people are reluctant to disclose their condition to their employer, which could affect the accuracy of the data. Rob Geaney of the RNID said that mandatory reporting could be a "useful tool", but that because hearing loss is a "hidden disability", not everyone will feel comfortable disclosing their condition to their employer. He said that there is a need to "increase the reporting and disclosure of disability in hearing loss to make sure that that mandatory reporting has value and it does not create false information".<sup>56</sup>
- 36. The "disability pay gap" is a term used to refer to the difference between how much disabled employees are paid, on average, compared to their non-disabled counterparts. The TUC has said that disabled people face "double discrimination" at work: not only are they less likely to be in work, but they are, on average, paid less than their non-disabled colleagues. It found that non-disabled workers earned, on average, £1.65 more per hour than disabled workers in 2019, equivalent to 15.5% more. In 2020, this increased to £2.10 per hour, a difference of 19.6%. We heard that requiring large employers to publish data on the gap in pay between their disabled and non-disabled employees could also help to tackle the disability pay gap. Professor Kim Hoque and Professor Nick Bacon, academic researchers specialising in disability employment, argued that:

In addition to reporting the disability prevalence within their workforce, employers should also be required to report the mean and median disability pay gap in hourly pay and bonuses, the proportion of disabled and non-disabled employees receiving a bonus, and the proportion of disabled employees who fall into each pay quartile. This will identify whether disabled people are distributed equally across the organisational hierarchy or whether they cluster into lower level jobs and pay grades.

Disability pay gap reporting should be introduced as an extension of the current regulations on gender pay gap reporting. The government argued that gender pay gap reporting 'is a key part of building a country that works for everyone', by breaking down barriers to employment and career progression, thus creating 'a more modern workforce'. This rationale applies equally to disability pay gap reporting.<sup>58</sup>

37. We asked the Minister whether the Department had considered requiring employers to publish data on the number of disabled people they employ and how much they are paid, relative to non-disabled employees. He acknowledged that there were "advantages" of requiring employers to publish disability employment data, but he cautioned against requiring employers to publish data on the disability pay gap, as it could risk penalising employers who had taken steps to recruit more disabled employees, but where those staff are in lower-paid entry-level positions. He said:

<sup>55</sup> Q158

<sup>56</sup> Ibid

<sup>57</sup> Trades Union Congress (DEG0134)

<sup>58</sup> Professor Kim Hoque and Professor Nick Bacon (DEG0104)

I did a visit to Foxes Academy in Bridgwater, which is a wonderful organisation that supports young adults with learning disabilities to have independent lives and progress into work. [...] They ultimately go on to work in the local restaurants and care homes. Those are predominantly entry-level jobs and, therefore, would be at the lower pay scale. They are not, with all the will in the world, going to be likely to be the chief executives of those companies. There is a danger that if you just did crude disability pay reporting, an organisation that was taking that extra step to be an inclusive employer, to give them opportunities, would then potentially be punished in the disability pay reporting because it would skew the numbers.<sup>59</sup>

He added: "That does not mean we do not want to do it; it just means we have to tread very carefully". 60

- 38. Mandatory reporting, which would require employers to publish data about the number of disabled people they employ, could be a highly effective way of holding employers to account and driving forward progress on closing the disability employment gap. This data will only be accurate if employees feel comfortable disclosing their disability or health condition to their employer. Scrutiny of the published data is likely to act as an incentive to employers to create an environment in which people feel able to make those disclosures. We recommend that the Government should require larger employers (those with 250+ employees) to publish data on the proportion of their employees who are disabled.
- 39. We are not yet persuaded, however, that requiring employers to report data on the "disability pay gap" is the right way forward. We share the Minister's concern that this data could risk giving a misleading impression of employers who have made genuine progress in recruiting more disabled people, but where those employees are in more junior positions. The disability pay gap, however, remains stark, and in its forthcoming National Strategy for Disabled People, the Government should set out ambitious and timed targets for how it intends to reduce it.

### 2 Employment support

### DWP's existing employment support provision

- 40. In addition to the new programmes that it has introduced in response to the pandemic (see Chapter 4), DWP also commissions and funds longer standing employment provision for unemployed disabled people. They include programmes intended to support disabled people into work, accompanied by targets such as getting at least one million more disabled people into work by 2027. In the long-term, the Department also aspires to address accessibility issues and negative attitudes amongst employers.<sup>61</sup>
- 41. Some of the employment support available to disabled people is commissioned by DWP directly, and available largely via Jobcentre Plus:
  - a) The Work and Health Programme (WHP). The Work and Health Programme is the Department's main employment support programme. It launched in November 2017, replacing the previous Work Programme and Work Choice. It is delivered by external contractors across six geographical "package areas". Around 75% of spaces on the Work and Health Programme are reserved for disabled people. In two areas—London and Greater Manchester—local authorities have devolved responsibility for commissioning and delivering their own local WHP services.
  - b) The Intensive Personalised Employment Support programme (IPES) launched in 2019. It is aimed at disabled people who are at least a year away from being ready to move into work.
  - c) Partnership working with other organisations: for example, employers, or local colleges to offer apprenticeships, internships or supported internships.<sup>64</sup>
  - d) The Personal Support Package, via Jobcentre Plus from April 2017. This includes access to the Flexible Support Fund: a discretionary fund that can be used to pay for services that help claimants get into work, and to cover expenses that might stop them working. This could include help with travel costs or paying for specific training.<sup>65</sup>
- 42. Disabled people can also access other types of employment support outside of DWP's core offer. Some of this is funded or co-funded by DWP and other central government Departments (such. the Department of Health and Social Care or Department for Education), while other provision is outside central government entirely:
  - a) Individual Placement and Support (IPS) programmes. IPS is a model of employment support aimed at people with severe mental health conditions that limit their ability to work. IPS offers specialist support to help participants find work that matches their skills and interests, and ongoing support once a

Department for Work and Pensions, Department for Work and Pensions single departmental plan, updated 17 February 2020

<sup>62</sup> Department for Work and Pensions, Work and Health Programme statistics to February 2021, May 2021

<sup>63</sup> The Work and Health Programme, Briefing Paper 7845, House of Commons Library, June 2020

DWP, Guidance: Jobcentre Plus: opportunities for public and voluntary organisations, updated June 2021

<sup>65</sup> House of Commons Library, Research briefing: Jobcentre Plus Flexible Support Fund, October 2016

participant has been placed in a job.66

- b) Employment support delivered as part of the Improving Access to Psychological Therapies (IAPT) programme. IAPT began in 2008. One of the main areas for service development is "supporting people to find or stay in work" since "good work contributes to good mental health". 68
- c) European Social Fund programmes (ESF). The ESF funded employment support for people who are not well-served by mainstream provision (for example, people who have additional barriers to work due to their health). Funds were controlled by Local Enterprise Partnerships (LEPs), which were given a notional amount to draw down from on a project-by-project basis, depending on the development status of the local area. The Government has announced that a "UK Shared Prosperity Fund" (UKSPF) will replace the ESF, but has released limited details on how this fund will work.
- d) Support delivered and funded by local organisations: for example, local authorities or housing associations.<sup>71</sup>
- e) Specialist programmes delivered by third sector and independent private organisations.<sup>72</sup>

### **Employment support: a local or national approach?**

- 43. Some witnesses to our inquiry told us that DWP's current approach to employment support is not working. The Department's main employment support programme, the Work and Health Programme (WHP), is commissioned at a national level, but delivered across England and Wales by five providers across six areas, known as Contract Package Areas (CPAs). These providers—known as "prime" providers—can then sub-contract to smaller providers. The Department has, however, agreed to "co-design" the programme in some areas, known as Devolved Deal Areas. It has also devolved powers to London and Greater Manchester to deliver their own versions of the WHP.<sup>73</sup>
- 44. During our inquiry, we heard evidence from Tom Pollard, an independent policy expert and former policy adviser at DWP. In a report published in 2020, *This isn't working*, he recommended that DWP should no longer be responsible for delivering employment support for people facing "complex disadvantage", including disabled people. He said:

Even during periods of low unemployment, the Department for Work and Pensions (DWP) has a poor record of supporting this group into work—only around four per cent of those on associated benefits move into employment each year. The system DWP oversees has also often made people's lives

<sup>66</sup> Centre for Mental Health, What is IPS?, April 2021

<sup>67</sup> NHS England, Adult Improving Access to Psychological Therapies programme, accessed July 2021

<sup>68</sup> Ibid.

<sup>69</sup> Ibid.

<sup>70</sup> Work and Pensions Committee, European Social Fund, Eighth report of Session 2017–19, HC 848, April 2018

<sup>71</sup> See, for example, BASE (DEG0065), Vocational Rehabilitation Association (DEG0111), Centre for Social Justice Disability Commission (DEG0123)

<sup>72</sup> See, for example, Vocational Rehabilitation Association (DEG0111), Unity Works (DEG0001), BASE (DEG0065)

<sup>73</sup> The Work and Health Programme, Briefing Paper 7845, House of Commons Library, June 2020. The list of Devolved Deal Areas currently consists of the Tees Valley, East Anglia, Sheffield City Region, West of England, West Midlands, Liverpool City Region and Cardiff City Region.

more difficult, exacerbating the stress and anxiety many already live with. Without major reform, the financial costs and human impact will continue to mount. It's time to radically rethink support for this group.<sup>74</sup>

Instead, he argued that responsibility for providing employment support for people claiming Employment and Support Allowance (ESA) and the equivalent groups in Universal Credit should sit with "local ecosystems" made up of health and social care services and the third sector, coordinated by local authorities. Some practices, he says, are already working well at local level: for example, local commissioners and providers of employment support "understand their local communities and ecosystems of support" and local services can work together effectively to meet people's needs.<sup>75</sup> Expanding on the benefits of localised provision, he said:

The challenge of supporting more disabled people into work needs to be fundamentally reframed from being something for DWP, Jobcentres and the benefits system to address, to being something that is embedded across the range of services disabled people engage with locally. Local areas need the power and resources to properly coordinate and fund these services. Efforts being made by DWP to move this group into employment have been directly undermined by insufficient funding and coordination of this wider local ecosystem of support over many years. Meanwhile, the efforts of these local ecosystems are often undermined by having to deal with the impact that interactions with DWP have on people they support. DWP should be repositioned as a catalyst for better support for this group, that is designed and delivered locally in collaboration with communities, rather than trying to directly intervene to achieve outcomes from Whitehall, at which it has consistently proven ineffective.<sup>76</sup>

- 45. Other witnesses to our inquiry said that delivering employment support at a local rather than national level has advantages. Clare Gray of the Shaw Trust, a provider of the Work and Health Programme, told us that localised provision can offer support that is more specialised and flexible to a disabled person's needs.<sup>77</sup> Mat Ainsworth, Assistant Director for Employment at the Greater Manchester Combined Authority, also said that locally commissioned programmes can provide more personalised support to disabled people than national programmes.<sup>78</sup>
- 46. Similar criticisms of DWP's current approach to employment support came from charities and disabled people's organisations. The MS Society, which supports people with multiple sclerosis, described the Department's approach to employment support as "centralised" and "one-size fits all" and said that a local approach would deliver better outcomes for disabled people:

Low level of movements from benefits to work experience by disabled people indicate that a centralised, one-size fits all approach, which is linked to benefits, is not working. A local approach, designed by and for

<sup>74</sup> Tom Pollard and Pawda Tjoa, New Local, This isn't working: Reimagining employment support for people facing complex disadvantage, October 2020, p.7

<sup>75</sup> Ibid., p.9

<sup>76</sup> Tom Pollard (DEG0003)

<sup>77</sup> Q146

<sup>78</sup> Q149

local people, which looks holistically at tackling the complex barriers to employment, would be better equipped to support disabled people to find and retain employment. A network of local agents, such as local authorities, charities and disabled people's organisations, would be better able to source personalised local support, understand the local area, and forge relationships with local employers.<sup>79</sup>

The British Association for Supported Employment (BASE) agreed that specialist employment support should be "embedded in local communities". It recognised that, while there is a role for national programmes such as the Work and Health Programme, individual support under these schemes can be minimal. BASE also said that national schemes have been associated with the practice of "cherry-picking (or creaming) and parking", where providers are incentivised to support people who are most likely to find work, while neglecting people who are further from the labour market.<sup>80</sup>

- 47. Some witnesses, however, suggested that there are benefits to national programmes such as the WHP. Clare Gray said that the WHP works well for people with some health conditions and disabilities: for example, people who only require "light touch" employment support. She also said that there are "scale and capacity" issues which may constrain the delivery of employment support at local levels.<sup>81</sup> Mat Ainsworth said that the "jury is still out" on whether a local approach to employment support results in better outcomes.<sup>82</sup>
- 48. We asked the Minister about the evidence we had heard when he gave evidence in May. He told us that he had a "huge amount of sympathy" for arguments in favour of locally-commissioned employment support, telling us that the "greater the personalisation and tailoring of the support for an individual, the more likely the outcomes will be positive". The Minister also said that the Department would explore, in its Green Paper, how to incorporate smaller, local providers into its "menu" of support. In its Green Paper, the Department recognised that "one size does not fit all" and set out how it intends to improve the provision of tailored, personalised employment support. It also said:

We want to provide more support in local services that disabled people and people with health conditions trust and use regularly. In addition, we want to continue to build on the experience of local providers, including the voluntary sector.<sup>86</sup>

The Department also said that it would continue to embed employment support within health services, "to provide more integrated and holistic support".<sup>87</sup> Its consultation, launched alongside the Green Paper, has also invited views on how the Department can "work with other organisations and service providers, local authorities, health systems and the devolved administrations to provide employment support in health settings and join up local support".<sup>88</sup>

```
MS Society (DEG0150)
79
      BASE (DEG0065)
80
      Q146
81
      Q145
82
      Q241
83
84
     Ibid.
      Department for Work and Pensions, Shaping Future Support: The health and disability Green Paper, 20 July
      2021, p.22
86
      Ibid., p.30
87
      Ibid., p.31
88
     Ibid., p34
```

49. When asked whether the Department would consider devolving more powers to local areas to commission and deliver employment support, the Minister said that this work had "potential", but referred to data which suggest that devolved versions of the WHP have not led to better results than the national programme. <sup>89</sup> In a letter sent after the evidence session, the Minister shared the following table which compares outcome rates for disabled people on the national programme to those on the devolved versions:

Table 1: WHP disabled participant starts and outcomes to February 2021

	Starts	Nov 17-Sep 19	Nov 17-Sep 19 Starts
	(Contract to date (Feb 21))	Starts with a Job Outcome	(% with a Job Outcome after 18 mths)
National 1–6	77,000	10,000	22%
London LGPs	25,000	2,000	17%
(4x contracts)			
Greater Manchester Combined Authority	11,000	1,000	21%

Source: Letter from the Minister for Disabled People, Health and Work, dated 30 June 2021

The Minister added, however, that simple comparisons of the number of job outcomes needed to be treated "extremely cautiously" because, he explained, "claimant composition, labour market and differing job outcome definitions may all lead to different results and therefore should not be interpreted as a proxy for overall effectiveness". 90

50. Some organisations have said, however, that national programmes have not led to improved outcomes for disabled people. Spinal Muscular Atrophy UK highlighted that while, on average, 20% of disabled participants on the Work and Health Programme have been supported into work, 80% have not.<sup>91</sup> The Centre for Social Justice Disability Commission said that only 14% of disabled participants on the Work Programme, the predecessor to the Work and Health Programme, were supported into work. DWP's own evaluation of the Work Programme, published in 2014, found that only 30% of disabled people reported that their Work Programme provider had offered them support related to their disability or health condition. It said:

Participants who did not get this kind of support often described complex health conditions, and did not yet feel ready to make progress towards work. In these situations, they often indicated that there was little their adviser would be able to do about their health conditions in any case, perceiving this was the remit of their medical practitioner.<sup>92</sup>

51. There is evidence that localised support, which is often delivered by small, specialist providers, helps disabled people get into and stay in work. All too often, however, disabled people are reliant on large, national programmes, or on discretionary, ad hoc

<sup>89 0242</sup> 

<sup>90</sup> Letter from the Minister for Disabled People, Health and Work, dated 30 June 2021

<sup>91</sup> Spinal Muscular Atrophy UK (<u>DEG0155</u>)

<sup>92</sup> Department for Work and Pensions, <u>Work Programme evaluation: the participant experience report</u>, December 2014

support provided by Jobcentre Plus. Neither is ideal: large programmes have tended to perform badly for disabled people, and access to JCP support (for example, via the Flexible Support Fund) is, by design, not consistent. Current programmes aimed at supporting disabled people into work have not produced the desired improvements in the disability employment gap. It is time for DWP to take a new approach. We welcome the Department's recognition, in the recently published Green Paper, that local services and providers have an important part to play, and look forward to seeing how it develops its work in this area.

- 52. DWP should reimagine fundamentally how it provides employment support to disabled people. We recommend that DWP should carry out a significant expansion of the number of Devolved Deal Areas, granting more powers to local authorities to set up their own localised version of the Work and Health Programme. Any devolution should be underpinned by a clear framework including benchmarks and minimum requirements that local authorities must use when commissioning support.
- 53. The default position should be that groups of local authorities, perhaps based on the recently-defined NHS integrated care system boundaries, where they have the will and capacity to do so, are responsible for delivering employment support for disabled people. DWP should provide funding and support to enable them to do this. This approach will not work for everyone: some local authorities may not have the capacity to commission or deliver employment support services, so there will still be a role for national programmes such as the Work and Health Programme. For some areas, however, such as areas with a Metro Mayor, this approach could work well, as we have already seen with London and Manchester. Where they want to and can, local authorities should have the power to commission their own employment support programmes. They should work closely with the Department for Health and Social Care (or devolved administrations as appropriate), the NHS, the third sector, and education and training providers to achieve this.
- 54. In February this year, the Department for Health and Social Care (DHSC) published a White Paper, *Integration and Innovation: working together to improve health and social care for all*, which sets out proposals for a new Health and Care Bill.<sup>93</sup> This includes proposals to expand the role of Integrated care systems (ICSs) and put them on a statutory footing. NHS England describes ICSs as "new partnerships between the organisations that meet health and care needs across an area, to coordinate services and to plan in a way that improves population health and reduces inequalities between different groups". It also says that ICSs can "[deepen] the relationship in many areas between the NHS, local councils and other important strategic partners such as the voluntary, community and social enterprise sector".<sup>94</sup> In its White Paper, the DHSC said that it wants to legislate for "every part of England to be covered by an integrated care system".<sup>95</sup>
- 55. Locally-commissioned employment support will require close working between local government and a variety of partners, including the NHS. Integrated care systems (ICSs) have an important role to play in strengthening these partnerships. The Government's ambition is for every area in England to be covered by an ICS.

<sup>93</sup> Department for Health and Social Care, Integration and Innovation: working together to improve health and social care for all, 11 February 2021

<sup>94</sup> NHS England, What are integrated care systems?, accessed July 2021

Department for Health and Social Care, Integration and Innovation: working together to improve health and social care for all, 11 February 2021, p.22

ICSs already bring together providers and commissioners of NHS services with local authorities to plan and deliver health and care services. We recommend that the role of ICSs be expanded to include collaboration with local government on the commissioning and delivery of localised employment support to disabled people, with equivalent work by devolved administrations also being supported.

### **Individual Placement and Support (IPS)**

- 56. Individual Placement and Support (IPS) is a model of employment support targeted at people with severe mental health conditions. It involves intensive, individual support and a rapid job search, followed by a placement in paid employment, with in-work support for both the employee and employer. In England, IPS is delivered through the NHS, where it is "closely integrated within community health teams".<sup>96</sup>
- 57. Several organisations that gave evidence to our inquiry said that IPS is a highly effective model of employment support. Mind, a mental health charity, said that evidence now shows that IPS is more effective than traditional approaches to employment support, and recommended that DWP should invest in IPS to support people with severe mental health problems into employment.<sup>97</sup> The Centre for Social Justice Disability Commission described IPS as "the most effective example of supported employment"; it also cited research suggesting that there are economic benefits to models such as IPS, which embed employment support within mental health services.<sup>98</sup> Clare Gray of the Shaw Trust said that research into IPS shows that "for every £1 invested into IPS, there is a return of £1.41".<sup>99</sup>
- 58. Dr Jed Boardman of the Royal College of Psychiatrists described IPS as "very personalised and [...] very person-centred". <sup>100</sup> He referred to studies which suggest that IPS has been effective at supporting people with severe mental health conditions into work:

The second thing that is important is that it is evidence-based. I think there are 27 RCTs [randomised control trials] on IPS, and nearly all of those are working with people with psychoses—it is predominantly people with schizophrenia—and that is a difficult group of people to place in open employment. All those studies are successful—that is, the people randomised to the IPS were more likely to find a job than those people who were given business as usual, which is basically the older schemes of vocational rehabilitation.<sup>101</sup>

59. During our engagement event, we heard from a member of the public, Manon Lewis, who after experiencing serious mental illness had received employment support under the IPS model. She described finding work after undergoing support through IPS as "transformative" and "life changing". She told us:

I sought assistance from my hospital team and was advised to seek IPS

<sup>96</sup> NHS England, Individual Placement and Support offers route to employment for people with severe mental health conditions, accessed June 2021

<sup>97</sup> Mind (DEG0084)

<sup>98</sup> Centre for Social Justice Disability Commission (DEG0123)

<sup>99 &</sup>lt;u>Q153</u>

<sup>100</sup> Q93

<sup>101</sup> Ibid.

(Individual Placement and Support) from the Richmond Fellowship. I began working with Mariana Law and this became a significant turning point. Within days she came to the hospital to see me. Her enthusiasm, passion and dedication gave me hope. She immediately set about job searches in the local area, helped me write a relevant and up to date CV and prepared me for any potential interviews. My confidence blossomed and I secured part time employment. There followed unlimited and intensive individual support that continues to this day. 102

- 60. In written evidence to our inquiry, DWP acknowledged the evidence in support of IPS. The Department said that the Work and Health Unit, a joint unit of DWP and the Department of Health and Social Care (DHSC), is supporting the expansion of IPS services in England by funding an initiative called IPS Grow, working with NHS England. The Work and Health Unit has also invested in trials of IPS, aimed at assessing whether IPS has a positive impact on employment outcomes, in the Sheffield City Region and the West Midlands Combined Authority, both of which concluded in October 2020. Angus Gray, Director for Employers, Health and Inclusive Employment at DWP, told us that there is a "massive body of international evidence that IPS works" for people with severe mental health conditions, and that the Department is assessing whether it could be as effective for people with moderate mental health problems or physical conditions. He said that the Department plans to publish an impact evaluation of the trials "later this year".
- 61. The evidence we heard in favour of Individual Placement and Support (IPS) as a model of employment support is overwhelmingly positive. We welcome the fact that the Department has invested in trials of IPS. We urge the Department to bring forward publication of its analysis of data from these trials and to adopt IPS as a model for its employment support offer. We welcome the work that the joint Work and Health Unit has done so far on expanding the use of IPS, and DWP should continue to work with DHSC and NHS England on this.

### **Support from Jobcentre Plus**

62. Most of DWP's employment support offer is available through Jobcentre Plus. Throughout our inquiry, we heard that many disabled people have had a negative experience of Jobcentre Plus: common issues include not being able to access Jobcentre Plus services or not receiving support that is tailored to their needs. Matthew Oakley, Director of WPI Economics, told us that some disabled people who seek employment support through Jobcentre Plus are directed towards work opportunities that are not suitable for them. He said:

We have recently done some work speaking with disabled people about their experience of Jobcentre Plus, showing that a general feeling is that quite a lot of the support is too generic. It is not tailored to their needs and often is pushing them towards work that they suggest is unsuitable for them. One example is of a lady who was in a wheelchair who was asked

<sup>102</sup> Manon Lewis (DEG0192)

<sup>103</sup> DWP (DEG0171)

<sup>104</sup> Ibid.

<sup>105</sup> Q245

<sup>106</sup> Q247

whether she could do manual care work. I think her exact quote was, "I sometimes struggle to look after myself, let alone somebody else." There are some real challenges here, and this is not to point the finger at individual work coaches or individual Jobcentres. It is just saying that within a large system it is very difficult to produce the tailored support that we need.<sup>107</sup>

63. In its Green Paper on health and disability support, DWP has set out how it intends to "[build] trust and engagement" through its Jobcentres. This includes the introduction of new "Health Model Offices" in 11 Jobcentres across the country with the aim of testing new initiatives, such as more intensive support for disabled people and people with health conditions, improving the link between Jobcentre Plus and health services, and adapting the "physical environment" of the Jobcentre to better suit disabled people's needs. DWP also says that it has provided additional support to its staff, such as new training, to help improve the service it offers through Jobcentre Plus.

### Accessibility of Jobcentre Plus services

64. Many disabled people still struggle to access Jobcentre Plus services because their accessibility needs are not being met. Although DWP says that it is taking steps to rectify this, the evidence we heard suggests that the problems have not gone away. For example, the Royal Association for Deaf People told us that Jobcentres frequently fail to provide BSL interpreters for meetings with deaf clients. Sense, a charity that supports people with complex disabilities, also told us that disabled people often find the support offered by DWP inaccessible because of a lack of alternative formats. Martin Sigsworth of the Thomas Pocklington Trust said that many visually impaired people find Jobcentres inaccessible:

A lot of people that access our service describe having problems getting to Jobcentre Plus, getting around Jobcentre Plus, people not really knowing how to guide them properly or the support that they might need. You might arrive at the Jobcentre and you clearly need support to get to where you need to go, but they might be left standing outside or might be left standing inside.<sup>113</sup>

- 65. The RNID told us that Jobcentre Plus needs to improve the way in which a disabled claimant's communication preferences are recorded. It recommended that DWP should follow the example of the Accessible Information Standard in the NHS, which stipulates that bodies under the standard's remit must ask about a person's needs, record them, ensure that those needs are met and then share the information with others who need it.<sup>114</sup>
- 66. We asked the Minister about how the Department plans to make Jobcentre Plus more accessible. He told us that the Department works "very closely" with stakeholders to

```
107 Q134
108 Department for Work and Pensions, Shaping Future Support: The health and disability Green Paper, 20 July 2021, p.26
109 Ibid., p.27
110 Ibid., p.28
111 Royal Association for Deaf People (DEG0100)
112 Sense (DEG0130)
113 Q167
114 RNID (DEG0120)
```

understand disabled people's needs and improve the accessibility of its services, and that the Department has already taken steps to achieve this, such as introducing a video relay service, which enables British Sign Language (BSL) interpretation for telephone calls. He also told us that hearing loop systems, sound systems which are designed for people with hearing aids, are available in Jobcentres. <sup>115</sup> In the consultation accompanying the Green Paper, the Department has invited views on what more it can do to improve the provision of reasonable adjustments so that disabled people can access its services. <sup>116</sup>

- 67. It is unacceptable that some disabled people still face barriers when trying to access services through Jobcentre Plus. It is particularly shocking that services provided by the Department for Work and Pensions, whose ministerial team includes the Minister for Disabled People and which is responsible for a significant proportion of the Government's work on disability, remain inaccessible to some disabled people. We welcome the fact that the Department is now consulting on what improvements it can make to its provision of reasonable adjustments and alternative formats, but it should act as a beacon of best practice on accessibility for the rest of government. To achieve this, it must ensure that both its premises and services are wholly accessible to disabled people. The Department should invest in and expand its provision of alternative formats for its communications with disabled people. It should ensure that BSL interpreters are provided at all meetings with Deaf clients who need one and that other accessible formats—such as large print, Braille and Easy Read—are readily available for people that need them.
- 68. We heard that more needs to be done to improve the way a disabled person's communication preferences are recorded by Jobcentre Plus. DWP should take inspiration from the Accessible Information Standard model used in the NHS and create an automated process which can record a disabled person's preferred communication method and provide the correct support accordingly.

### **Disability Employment Advisers**

- 69. As well as generalist Work Coaches, who support a caseload of claimants with mixed needs, DWP also provides specialist support for disabled people in JCP. Disability Employment Advisers (DEAs) work alongside Work Coaches to provide specialist support to disabled people. The Department has also introduced a new "Disability Employment Advisor Leader" role, whose job is to manage DEAs and to take on various functions of the previous "Community Partner" role, which the Department abolished in 2018. This echoes a recommendation made by our predecessor Committee in its Report on *The Future of Jobcentre Plus*. As a result of these changes, the Department says that it now has 800 staff dedicated to supporting disabled claimants.
- 70. In April 2021, DWP announced that it will increase the number of DEAs in Jobcentres by 315, bringing the total to 1,115. The Minister for Disabled People, Health and Work, Justin Tomlinson MP, said on announcing the increase that:

<sup>115</sup> Q248

Department for Work and Pensions, Shaping Future Support: The Health and Disability Green Paper, July 2021, p.69

<sup>117</sup> DWP (DEG0171)

<sup>118</sup> Work and Pensions Committee, Second Report of Session 2016–17, The future of Jobcentre Plus, HC 57, para.35

We are committed to seeing 1 million more disabled people in work by 2027 and as we recover from the pandemic we are redoubling our efforts to boost the support for disabled jobseekers.

I know this is a challenging time, but we will be building on the record disability employment we have seen by protecting, supporting and creating jobs for disabled people.<sup>119</sup>

- 71. We heard from witnesses that the increase in the number of DEAs was very welcome. Despite this, Disability Rights UK, a disability charity, reported that the number of DEAs "fell sharply" during the pandemic. It says that there were 447 full time equivalent (FTE) DEAs at the start of 2021, compared to 661 in February 2020, although the number of generalist work coaches increased over the same period. Several witnesses called for the number of DEAs to increase further, reflecting likely increases in demand due to the pandemic and existing demand in JCP. Catherine Hale, Founder and Director of the Chronic Illness Inclusion Project, said that the number of disability employment advisors is still "too small" in proportion to the number of work coaches. She argued that the Department should recruit more DEAs who have impairment-specific knowledge so they can "apply solutions that are not one-size-fits-all but according to people's support needs". 122
- 72. Some organisations also recommended that DWP should provide more impairment-specific training to Jobcentre Plus staff. The National Autistic Society, for example, said that some Jobcentre Plus staff have a poor understanding of autism, which can be a barrier to autistic people finding work. It recommends that all JCP staff should undergo mandatory training on autism. The Royal Association for Deaf people (RAD) said that there is "a lack of deaf awareness amongst work coaches" and that better deaf awareness training is "urgently needed" for Jobcentre Plus staff. 124
- 73. We welcome the fact that the Department has increased the number of Disability Employment Advisers (DEAs) in Jobcentres. DEAs can provide specialist support to disabled people in a way that generalist Work Coaches do not, and the increase in numbers will go some way to addressing the fall in the number of DEAs during the pandemic. It is vital that all Jobcentre Plus staff, however, have a good understanding of disability, including specific conditions, and how best to support disabled people. DWP should keep the number of DEAs under review and commit to recruiting additional DEAs if demand rises. It should also ensure that any training that Jobcentre Plus staff receive on supporting disabled people is not just generic but covers the needs of specific impairment groups, including people with invisible disabilities.

### Job carving

74. We heard that the Government should do more to encourage employers to "job carve" roles for disabled people. Job carving is a technique used to create a role that best matches

<sup>119</sup> Department for Work and Pensions, Government unveils new support for disabled jobseekers, 7 April 2021

<sup>120</sup> Disability Rights UK, Number of DWP disability employment advisers falls by a third during the pandemic, 6 April 2021

<sup>121</sup> Disability Rights UK (<u>DEG0097</u>), Epilepsy Action (<u>DEG0110</u>), BASE (<u>DEG0065</u>), Volition and Forum Central (<u>DEG0133</u>)

<sup>122</sup> Q195

<sup>123</sup> National Autistic Society (DEG0121)

<sup>124</sup> Royal Association for Deaf people (DEG0100)

the skills of the employee.<sup>125</sup> During our engagement event, one participant spoke highly of job carving and called on the Government to do more to encourage large organisations to carve out roles for disabled people. They said:

One of the initiatives that I use is job carving; carving out positions for people. Mainly the people I work with have a learning disability. If there was something, the government could ask larger companies to carve out jobs specifically for people with disabilities. We have companies looking for specific people to do specific jobs, who are maybe higher up in the market, but actually for those jobs that are reasonably straightforward for people and depending on their disabilities it would be really nice to carve something out specifically for those people. 126

75. In its report, *Working Better: The perfect partnership - workplace solutions for disabled people and business*, the Equality and Human Rights Commission (EHRC) identified job carving as a method which could improve disabled peoples' employment outcomes. The EHRC said:

It is a concept that can benefit both employers and employees through increasing productivity by realigning workers tasks. It is a flexible way of managing a workforce, which allows employers to utilise their staff skills in the most productive way whilst enabling disabled people to make a valuable contribution to the world of work. For some employees job carving may be more akin to organising flexible working hours so that a person who has a disability and is only able to work 6 hours per week can fill the gap left by the working mother who can only work 30 hours of a full-time post. For some people, job carving can be part of a package of supported employment where the employer and employee will receive 'just enough help from a support organisation to ensure success'. 127

76. Catherine Hale, Director and Founder of the Chronic Illness Inclusion Project, told us that job carving "works effectively" at supporting people with learning disabilities into work, and that it could also be an effective strategy for supporting people with energy limiting conditions. She said:

In the same way as job carving is a strategy used with learning disabilities, we think it is a really important strategy to use for people with chronic illness. We need to look at the job offers that are available in the labour market and how they can be tailored, adapted and redesigned so they are more suitable for people who can only work reduced hours, who need particularly flexible hours, who need high levels of autonomy in the workplace and who need provision to work from home.<sup>128</sup>

77. The Department has already taken steps to promote job carving. In its guidance for the Intensive Personalised Employment Support Scheme, a programme that provides one-to-one support and training to help disabled people enter into employment, DWP encourages providers to build relationships with employers and encourage them to job

<sup>125</sup> British Association for Supported Employment, Job carving and job design, assessed 30 June 2021

<sup>126</sup> Transcript of engagement event, 22 April 2021, p.10

<sup>127</sup> The Equality and Human Rights Commission, Working Better: The perfect partnership - workplace solutions for disabled people and business, May 2012, p.48–49

carve roles for participants.<sup>129</sup> Some disability organisations, however, have called on the Government to do more. Disability organisations including Unity Works, the Chronic Illness Inclusion Project, Volition, and Forum Central have called on the Government to include job carving initiatives as part of its National Strategy for Disabled People.<sup>130</sup>

78. We welcome the fact that DWP already encourages providers of some of its disability support schemes to adopt job carving as part of their support to participants. The Department, however, should do more to support and encourage employers to adopt job carving practices when recruiting a person with a disability. As part of its National Strategy for Disabled People, DWP should provide detailed guidance to both providers and employers on how they can job carve roles for disabled people. It should also ensure that Jobcentre Plus engages with local employers to encourage them to carve out roles for disabled people.

<sup>129</sup> Department for Work and Pensions, Intensive Personalised Employment Support (COVID-19) provider guidance, Chapter 6 - Pre-Work and In-work Support, accessed 30 June 2021

### 3 In-work support

### Disability and reasonable adjustments

79. Under the Equality Act 2010, employers must make reasonable adjustments to ensure that disabled employees, including people with physical and mental health conditions, do not face disadvantage when doing their job. DWP's guidance for employers on supporting disabled employees says that reasonable adjustments can include modifying or acquiring specialist equipment to help the employee do their job; making changes to the employee's working pattern; or making adjustments to the premises to ensure that they are accessible for all.<sup>131</sup>

80. Section 6 of the Act says that a person has a disability if they have "a physical or mental impairment" which has "a substantial and long-term adverse effect" on their ability to carry out day-to-day activities. Mind, a mental health charity, has said that many employees with mental health problems have been left with a "lack of clarity" about whether the provisions in the Equality Act apply to them because of how the Act defines disability. It said:

Mind's (2019) survey of almost 2,000 people with mental health problems revealed issues with both the requirement for a mental health problem to be long-term and the language in the definition describing the impact of disability. Both leave many people with a lack of clarity about whether they are protected by the law when at work.

We found that there was a lack of clarity about the language used in the definition of disability and how it related to them. The key themes were that: it was difficult to know if the effect of a mental health problem was 'substantial' enough; language around ability to do an activity doesn't apply well to mental health; effects of mental health problems can fluctuate or be episodic. 133

Mind recommends that the Government should amend the definition of disability in the Act so that it better reflects the experiences of people with mental illness and publish statutory guidance about reasonable adjustments.<sup>134</sup> The Vocational Rehabilitation Association said that the requirement that a person's impairment must be "substantial" is "very much open to interpretation".<sup>135</sup>

81. We also heard that many employers do not have a good understanding of reasonable adjustments or how to implement them. The Chartered Institute of Personnel and Development (CIPD), which represents HR professionals, said that there should be better dissemination of guidance for employers on how to make reasonable adjustments, including supportive workplace changes that are not covered by their statutory responsibility. It said that there is a need to "shift the negative misconception about adjustments being onerous and costly" and that many adjustments "can be simple and low-cost, and can

Department for Work and Pensions, Employing disabled people and people with health conditions, last updated 25 March 2020

<sup>132</sup> Equality Act 2010, section 6(1)

<sup>133</sup> Mind (DEG0084)

<sup>134</sup> Ibid

<sup>135</sup> Vocational Rehabilitation Association (DEG0111)

make an enormous difference to enabling people to perform to their full potential". <sup>136</sup> Angela Matthews of the Business Disability Forum, a not-for-profit organisation whose membership comprises disabled people and employers, told us that some employers lack understanding of what constitutes a "reasonable" adjustment. She said:

Generally, we find with the businesses we work with that the idea—the concept—that you make reasonable adjustments for disabled people is generally understood. However, in terms of assessing what is reasonable, that is where knowledge seems to lack a little bit and also where confidence lacks a bit as well. Also, agreeing and coming to what reasonable adjustments might work is a collaborative conversation ideally between the employee and the employer. However, assessing what is reasonable is very much an employer's process. <sup>137</sup>

### Reasonable adjustments: enforcement of the law

82. Clare Gray of the Shaw Trust, an employment support organisation, told us that the law on reasonable adjustments is not always well enforced. She said that the Equality Act has "no teeth", and that she hoped that the Government, in its forthcoming National Strategy for Disabled People, would set out measures for improving the enforcement of its provisions on reasonable adjustments.<sup>138</sup> During our engagement event, we heard from a member of the public with multiple sclerosis who told us that her employer had been unwilling to make reasonable adjustments when she had asked for them. She recommended that employers who fail to make such adjustments should be held accountable, saying:

I tried not to move around too much but I was asked to make sure that I walk up and down the stairs with documents. And I mentioned several times that this was just not appropriate, like I'm just in too much pain to be walking up and down the stairs, and that's just one example of the things that my employer has just not understood.

[...]

My company is a fairly large employer. They're a very successful wealth management company and so with regards to things that they could put in place, resources are not really an issue, they're a very successful company. [...] Maybe it's just the sector that I'm in, but accountability I think would be crucial. 139

83. Some people we spoke to said that their employers had not been willing to make reasonable adjustments: one person with an energy-limiting condition, for example, told us that their employer had not allowed them to work reduced hours. This experience, however, was not shared by all participants. One participant told us that that their employer had been "really good" at putting adjustments in place, but that they feared what would happen if they needed to seek work elsewhere:

My employers Bostik have been really really good, they've been amazing. I

<sup>136</sup> CIPD (DEG0135)

<sup>137</sup> Q137

<sup>138</sup> Q157

<sup>139</sup> Transcript of engagement event, 22 April 2021, p.31

work on the first floor, legally I think they had to do it anyway, but they built me a lift, they made all the doors have just a touch button rather than me having to open them. I've had occupational health in my office to make sure it all works for me [...] however if for any godforsaken reason I lost my job, I would be really worried about applying for a new job because of my disability.<sup>140</sup>

84. We asked the Minister what role the Department plays in helping employers meet their obligations under the Equality Act and whether, in his view, the law should be strengthened. He suggested that improving employers' awareness of their legal obligations could help improve enforcement, and that the Department planned to look at these issues in the Green Paper on health and disability support. The Green Paper, however, does not contain any provisions about improving understanding or enforcement of reasonable adjustments in the workplace. 142

## Guidance for employers: an online information hub

85. The RNID, a charity that supports Deaf people and people with hearing loss, told us that there is a "substantive gap in the provision of information to employers about disability". <sup>143</sup> It recommends that the Government should introduce an online hub with information and guidance for employers on supporting disabled employees. Rob Geaney of the RNID told us that this should include guidance on making reasonable adjustments:

We have been arguing now for a couple of years that the Government should create an online employer information hub, which is well advertised, contains lots of information around employment disability law, guides on individual conditions, signposting to other organisations and just very simple steps to help make reasonable adjustments. I know a website is not that easy, but it does not seem like an incredibly difficult thing to do, therefore we are not quite sure why the Government have not taken that small step, which just addresses the barriers that all of us have identified.<sup>144</sup>

86. We asked the Minister whether the Department had considered establishing an online information hub in a similar vein to that recommended by the RNID. He expressed his support for the concept of a "centralised, easy-to-access hub" and said that it is his intention to "drive forward" work on this. Angus Gray, Director for Employers, Health and Inclusive Employment at DWP, said that work on developing the hub is currently underway and that he expected it to go live "in the next two or three months"—that is, by July or August 2021. The Government's response to the *Health is everyone's business* consultation, published on 20 July 2021, says that it will: "develop a national information and advice service for employers on health, work and disability, with material designed to help manage common health and disability events in the workplace. This will be developed with the needs of SMEs in mind." It says that the Government has been

```
    Ibid.
    Q238
    Department for Work and Pensions, Shaping Future Support: The health and disability Green Paper, 20 July 2021
    RNID (DEG0120)
    Q162
    Q236
    Q239
    Department for Work and Pensions and Department of Health, Health is everyone's business: government response, July 2021, p.18
```

working with employers to understand their needs, and that "this is informing design work during 2021." It is not clear when the service will be available. The Department set out further details of its plans for developing a national online advice service in its response to the *Health is everyone's business* consultation (see below), published in July 2021. 149

- 87. We heard from disabled people and disability organisations that some employers simply don't understand their legal obligations to provide reasonable adjustments, whilst others continue to flout the law deliberately. The way in which disability is defined in the Equality Act has also left some employers and employees unclear about how its provisions apply. The Government has a clear role to play in ensuring that employers understand what their obligations are and that employees are aware of what protections are available to them.
- 88. The introduction of an online information hub for employers is an initial step in the right direction. We urge the Government to ensure that its information and advice service goes live as planned no later than August 2021. DWP must ensure that this hub contains clear guidance for employers about their legal obligation to provide reasonable adjustments and about how to implement them. It should also provide guidance to employers about interpreting the definition of disability in the Equality Act, with a particular focus on how its provisions apply to people with mental health conditions. We were encouraged to hear that some employers have taken positive steps to support disabled employees but remain concerned that not all employers are taking their responsibilities seriously. The Government should also consider adopting more severe punitive measures, such as "naming and shaming", for employers who continue to breach the law.

#### **Access to Work**

89. Access to Work is a publicly funded employment support programme that provides practical advice and support to disabled people and their employers to help them overcome work-related obstacles resulting from disability. Access to Work was launched in June 1994 by the Department for Social Security, the predecessor of the Department for Work and Pensions, and it is delivered through Jobcentre Plus and available to those aged 16 and over. There are two main types of Access to Work provision: assessments and elements. Assessments involve exploring workplace-related barriers to employment and making recommendations on how these can be overcome, whilst elements are measures that are put in place to provide the additional support that a participant requires. Examples of elements one might receive include:

- Communication support for interviews
- Special aids and equipment
- Adaptations to premises and vehicles
- Help with travel costs
- Support workers. 150

<sup>148</sup> Ibid.

<sup>149</sup> Department for Work and Pensions and Department of Health, Health is everyone's business: government response, July 2021, CP 509

<sup>150</sup> Department for Work and Pensions, Access to Work: factsheet for customers, accessed 30 June 2021

- 90. From 2007 to 2017, the Department published statistics on Access to Work quarterly. These statistics included data on the number of participants on the scheme broken down by impairment groups and the types of support and equipment that they received. <sup>151</sup> In September 2017, however, the Department announced that it would be publishing a new series of Access to Work statistics and withdrawing the previous publications. <sup>152</sup> In its announcement, DWP said that the new statistics would be published annually, despite statistics on several benefits that disabled people can claim, such as Universal Credit, Personal Independence Payment, and Employment and Support Allowance, being reported quarterly. In its announcement the Department did not give a reason for its decision, and it has published Access to Work statistics annually since the October 2017 release. <sup>153</sup>
- 91. The Minister told us that "record" numbers of people—44,000—are currently benefiting from Access to Work.<sup>154</sup> Some organisations also spoke positively about the scheme. The British Association for Supported Employment (BASE) said the programme is "widely admired across Europe" and that it has the potential to be "world-beating".<sup>155</sup> Sense described the scheme as being "excellent" and "truly beneficial to supporting disabled people into work",<sup>156</sup> and the Trades Union Congress said that Access to Work grants are "crucial for disabled people to overcome the barriers they face in accessing employment".<sup>157</sup>
- 92. We heard, however, that despite its advantages, the scheme does not always work as effectively as it could in practice. Some organisations told us that many employers are not aware that Access to Work exists. Research carried out by Citizens Advice in 2018 found that only 33% of employers knew a "great deal or a fair amount" about Access to Work. It also found that awareness of the scheme varied by sector, with only 22% of line managers and employers in the hospitality sector knowing "a fair amount" about the scheme, compared to an average of 41% of all employers. The Glasgow Disability Alliance, a disabled persons' organisation, also said that DWP needed to promote the Access to Work programme more effectively, and make it easier for employers and employees to obtain support. Mencap, a charity that supports people with learning disabilities, agreed, and said that the programme was "hugely beneficial" for people with learning disabilities, but that the Government needed to raise the profile of Access to Work with employers and employees to make them aware of the support that is available. In its response to the Health is everyone's business consultation, the Department committed to promoting Access to Work further, including by writing to Disability Confident employers, and by:

Working with stakeholders, partners and employer associations to raise awareness through communications to their customers, and ensuring advisers who work with potential customers, including Jobcentre Plus, health professionals and advisory groups, have the information and tools

```
151 UK Statistics Authority, <u>Statistics on Access to Work</u>, December 2014, p.4
```

<sup>152</sup> Department for Work and Pensions, Statistical Notice: Access to Work statistics, September 2017

<sup>153</sup> Department for Work and Pensions, Access to Work: statistics, accessed July 2021

<sup>154</sup> Q221

<sup>155</sup> BASE (DEG0065)

<sup>156</sup> Sense (DEG0130)

<sup>157</sup> Trades Union Congress (DEG0134)

<sup>158</sup> Citizens Advice, Mental health and employment – a vicious cycle?, February 2018

<sup>159</sup> Glasgow Disability Alliance (DEG0006)

<sup>160</sup> Mencap (DEG0167)

to act as advocates.161

93. Others described the application process as both bureaucratic and time consuming. Matthew Harrison of Mencap described Access to Work as "almost like a bit of a Jekyll and Hyde situation", as the scheme can be "brilliant" when it works, but the application process is bureaucratic and paper-based. A disabled person who submitted evidence to our inquiry said:

Whilst DWP and the Access to Work program do provide significant support to the disabled community, there are inherent challenges with the delivery methods, and the application processes which create barriers to employment.<sup>163</sup>

Fazilet Hadi of Disability Rights UK, herself a user of Access to Work, described herself as a "complete advocate" for the scheme, but criticised it for being too bureaucratic:

There is a feeling that you are trying to get something you are not entitled to. There are far too many forms; there is far too much bureaucracy. They are not quick, and they have not moved with the times. I have nothing to say in terms of praise for the way it is administered.<sup>164</sup>

#### She added:

I have been using Access to Work for 30 years, so I think I know what I need from it. Also, I don't get any sense that disabled people are involved in it or co-produce the way it is delivered. Why not? We are the main users. Why aren't we given a seat at a top table in terms of shaping how it is delivered?<sup>165</sup>

94. People who receive support under Access to Work have that support reviewed every three years. Versus Arthritis, a charity that supports people with arthritis, said that this can lead to a "worst case scenario" where a person's support under Access to Work is "cut off out of the blue". It highlighted the case of a person who had found out that their support had been stopped even though their support requirements not changed, meaning that they needed to reapply. <sup>166</sup> One disabled person from our engagement event described the review process to us:

My particular eye condition, like Participant A's condition it's degenerative. Why do I have to go through that every 3 years? [...] So every 3 years I have to jump a hoop for something that is not going to get better. [...] Now I have to jump through the hoop in a few months' time to get the support again, and I can't ask a consultant to write a letter because I'm not seen by one, because they can't do anything more for me, and my GP who supported my last application, all he wrote was 'visually impaired since 2006.' So I'm dreading come September.<sup>167</sup>

<sup>161</sup> Department for Work and Pensions and Department of Health, Health is everyone's business: government response, July 2021

<sup>162</sup> Q117

<sup>163</sup> Jurgen Donaldson (DEG0004)

<sup>164</sup> Q57

<sup>165</sup> Q58

<sup>166</sup> Versus Arthritis, Working it out: Demanding more from the Access to Work scheme, pp.12–13

<sup>167</sup> Transcript of engagement event, April 2021, p.2

95. We raised these concerns with the Minister when he gave evidence. He described Access to Work as "an analogue system in a digital world", and acknowledged that the journey time from application to decision—an average of 20 days—" itself creates a barrier". He told us that, in the most recent Spending Review, the Department had secured £5 million of funding for a "digital transformation" of Access to Work, which is currently in progress. 169

## The call centre system

96. BASE told us that, since DWP had introduced call centres to handle applications, the programme had become "more bureaucratic and problematic", with problems plaguing the application process and communications with DWP staff. It said that it had "engaged with DWP for four years to seek improvements", but that it had "been met with a defensive attitude that borders on a denial of any problems". <sup>170</sup> In its 2014 report, *Improving Access to Work for disabled people*, our predecessor Committee in the 2010 Parliament also criticised DWP's decision to route all telephone calls relating to Access to Work through its central call centre. It said:

Service users were not consulted on the recently introduced central call centre system and were not told in advance about the change; consequently it was poorly implemented and does not currently work well, particularly for those users who require support to take a telephone call or greater certainty about when a call from an Adviser will be received.<sup>171</sup>

97. That Committee recommended that DWP should "take urgent steps to address the ineffectiveness of the central call centre system" and to make it "more flexible and user-friendly".<sup>172</sup> In its response to the report, the Department said that it had "improved contact centre scripts" and "developed a closer working between contact centre staff and Access to Work advisers to improve the end-to-end journey".<sup>173</sup> Despite this, we heard evidence that people are still experiencing problems with the call centre when applying. A participant in our engagement event said that frequent changes in call centre staff caused delays to the process:

Now you will never get the same adviser; you could be passed to anywhere in the country. Everyone is helpful but you have to start the whole process all over again. As I am working with a lot of people, let's suppose I had a claim for [a client] and I had a claim for [a different client]. I can't speak to the same adviser. I would have to speak to one adviser [for the first client], and then I'd have to close that process and start another process for [the second client]. That never used to be the case, and again that's recently changed and is very, very frustrating.<sup>174</sup>

```
168 Q221
```

<sup>169</sup> Ibid.

<sup>170</sup> BASE (DEG0065)

<sup>171</sup> Work and Pensions Committee, Second Report of Session 2014–15, <u>Improving Access to Work for disabled people</u>, HC 481, para.115

<sup>172</sup> Ibid., para 116

Work and Pensions Committee, Second Special Report of Session 2015–16, Improving Access to Work for disabled people: Government response to the Committee's Second Report of Session 2014–15, HC 386, p.14

<sup>174</sup> Transcript of engagement event, 22 April 2021, p.8

## Access to Work "passports"

98. The Minister also told us that the Department plans to introduce an Access to Work "passport" for some groups of people. The passport, which will initially be available to disabled students, students in special education, veterans, and an unconfirmed fourth category, is designed to give applicants certainty about what type of support they can receive from Access to Work while they are applying for jobs. Currently, disabled people can only apply after they have received a job offer. The Minister said:

We are telling them about the scheme in advance, clearing as much of the information gathering as possible so they can have as much certainty as possible as they go to interviews as to what sort of support they can get.

You can never give 100% because the type of support you might need may differ from one employer to another. Different employers have different physical buildings, access or support already in place. [...] If they work—and I would be very surprised if they did not—this will then be rolled out and become the norm for Access to Work, and that will significantly increase awareness.<sup>175</sup>

In its Health and Disability Green Paper, the Department said that it will be possible to update the passports continually as participants' needs change, helping to assist understanding by the employer and to ensure that the relevant support is put in place. The Department said that this will provide "greater flexibility" to participants and will "reduce the need for repeated workplace assessments" if a participant starts a new job. 176

99. We heard that the length of time it takes to complete an Access to Work claim can create difficulties for disabled people who are looking for work or about to start a new job. Martin Sigsworth, a Senior Employment Manager at the Thomas Pocklington Trust, a charity that supports blind and partially sighted people, told us that he supported the creation of an Access to Work passport, not just for people who are out of work but for disabled people in employment who may move between jobs in the future and require the same equipment.<sup>177</sup> A support worker who took part in our engagement event said that the time taken to complete the application process can create difficulties for applicants:

I've been using Access to Work for 15 years now [...] One of the frustrating things is that they are fantastic but it's the time of turnover of the response now. So let's suppose I was working with [a client] now and we had an interview for tomorrow – I've got to apply for it online and it takes up to 3 weeks to get a response back. That's only a response, that's not saying that the funding is going to be put into place, that's someone from Access to Work to get in contact with me and then I put the claim in. It's a very, very long process. 178

100. Some disability organisations have spoken positively about the Access to Work scheme: when it works, it can be a vital source of support for disabled people in work.

<sup>175</sup> Ibid

Department for Work and Pensions, Shaping Future Support: The Health and Disability Green Paper, 20 July 2021, p.24

<sup>177</sup> Q176

<sup>178</sup> Transcript of engagement event, 22 April 2021, p.7–8

We have consistently heard, however, several reoccurring criticisms of the scheme from disability organisations and disabled people alike. We have heard that awareness of the scheme amongst disabled people and employers is low; that the scheme is poorly promoted; and that the application process is difficult, time consuming, and bureaucratic. The Minister acknowledged these problems and said that he was determined to address them. In its Green Paper, the Department recognised that the Access to Work application process can be burdensome. It also invited views on what more it can do to improve disabled people's employment opportunities through the scheme; it must use this as a basis for carrying out reform of Access to Work. To raise awareness of the scheme, which remains unacceptably low, the Department should launch a marketing campaign targeted at employers and at disabled people who are in, or applying for, work. The Department should also return to publishing statistics on Access to Work quarterly, in line with the publication of statistics on several other benefits that disabled people can claim, instead of annually. DWP should also redesign the application process to make it more streamlined and reduce the amount of information that applicants are expected to provide. It should ensure that disabled people are given the opportunity to co-design the new application process. The Department should also reduce the frequency of reviews, especially for people with long-term health conditions or stable employment, and ensure that people with an upcoming review are notified well in advance.

- 101. The Minister also told us that that the application process for Access to Work, which is currently paper-based, will undergo a "digital transformation" this year. This is long overdue, and we look forward to seeing how this work progresses. The Department must ensure, however, that as the service goes digital, people with low digital literacy receive the support they need to access it.
- 102. Support from Access to Work is only available for disabled people once they have been offered a job. This means that disabled people who are looking for work face uncertainty about whether they will receive the support they need, should they find a job, and that if they do, there is a period of waiting to find out what support they will receive. We heard that this delay and uncertainty can discourage employers from hiring disabled candidates.
- 103. The Minister said that the Department intends to pilot "passports" for jobseekers from particular groups, including students and veterans, which we welcome. These passports are intended to give job applicants certainty about what support they can receive through Access to Work before they have been offered a job. We recommend that, should the pilot be successful, DWP should extend eligibility for these passports to other groups of people. It should also introduce a passport for disabled employees who are currently receiving support under Access to Work so that, if they apply for a job with another employer, their prospective new employer has certainty about what support they are entitled to and they do not need to go through the application process again. This would help to reduce the unnecessary bureaucracy applicants face.
- 104. Our predecessor Committee recommended that the Department should improve the effectiveness of the Access to Work central call centre system. In response, the Department said that it recognised the importance of taking action to correct the issues with the system. We have heard, however, that problems accessing support

through the central call centre still persist. We reiterate our predecessor Committee's recommendation that the Department should immediately take action to rectify the problems with the call centre system.

# **Disability Confident**

105. Disability Confident is a Government programme which aims to influence, promote, and educate employers on the benefits of recruiting and retaining disabled employees. Launched in November 2016, the aims of the scheme are to:

- Give employers the skills, techniques and confidence to recruit, retain and develop disabled people
- Increase employers' understanding of disability and the benefits disabled people can bring to the workplace
- Increase the number of employers who are taking steps to improve their recruitment practices and attitudes towards disabled people
- Contribute towards the Government's target of getting 1 million more disabled people in work by 2027.<sup>179</sup>

As of 4 June 2021, over 20,800 employers had signed up to the Disability Confident scheme. The Minister told us that over 11.2 million employees work for a Disability Confident employer. Members of Parliament have promoted the scheme, which has raised awareness of the difficulty that disabled workers often have in gaining access to employment.

106. Disability Confident has three levels: Disability Confident Committed (level 1), Disability Confident Employer (level 2) and Disability Confident Leader (level 3). Employers must complete each level before being given accreditation to move on to the next. Accreditation at each level lasts for 3 years; if, however, an employer progresses to a higher level during that time, then the 3-year period will restart at the new level. If an employer reaches the end of the 3-year period without progressing then they can apply to have their accreditation renewed. To become Disability Confident Committed, an employer must agree to the Disability Confident commitments which are:

- Ensuring recruitment processes are inclusive and accessible
- Communicate and promote vacancies to disabled people
- Offer a job interview to a disabled person
- Anticipate and provide reasonable adjustments as required
- Support any existing employee who acquires a disability or long-term health condition, enabling them to stay in work<sup>182</sup>

<sup>179</sup> Department for Work and Pensions, Disability Confident aims and objectives, accessed June 2021

<sup>180</sup> Department for Work and Pensions, Employers that have signed up to the Disability Confident scheme, accessed June 2021

<sup>181</sup> Q230

<sup>182</sup> Department for Work and Pensions, Level 1: Disability Confident Committed, accessed 29 June 2021

In addition, an employer must agree to carry out an "activity that will make a difference for disabled people".<sup>183</sup> This includes a commitment to offering at least one disabled person at least one of the following work opportunities: work experience, a work trial, paid employment, an apprenticeship, a job shadowing opportunity, a traineeship, a paid internship, a student placement or a sector-based work academy placement.

107. To become a Disability Confident Employer, an employer must complete a self-assessment, testing their organisation against a set of statements about employing disabled people. This includes detailing the actions that the employer has taken to make their workplace more inclusive for disabled people, and the additional steps the employer may still need to take. As part of the self-assessment, employers must also submit evidence against each statement to demonstrate how they have made their workplace more inclusive for disabled people. Disability Confident Leader accreditation requires an employer to submit their self-assessment for independent validation to check that the employer has met the requirements of the previous two levels. Employers must also commit to using the Voluntary Reporting Framework to report the percentage of individuals within their organisation who identify as disabled or have a mental health condition. Of the employers who had signed up to the scheme on 4 June 2021, 16,751 were Disability Confident Committed, 3,704 were Disability Confident Employers and 356 were Disability Confident Leaders.

108. Our inquiry's call for evidence invited views on the effectiveness of the Disability Confident scheme in encouraging employers to employ and retain disabled employees. Several contributors expressed scepticism about the impact that the scheme has had on reducing the disability employment gap. Tom Pollard, an Independent Policy Expert and former policy adviser at DWP, said that Disability Confident has had "little meaningful impact on employment opportunities or experiences for disabled people". Lord Shinkwin, Chair of the Centre for Social Justice Disability Commission, agreed that the scheme was not making any measurable impact on increasing the number of disabled people in work. He said:

I have to be honest with you: no, it is not making a measurable impact. Even those employers who participate in the scheme told the DWP in November 2018—a survey that it conducted by telephone—that they do not know how much of a difference it has made in terms of whether they have recruited an additional disabled person. There is a lot of warm mood music, which has its place, but in terms of measurable outcomes, that is one of the reasons why employers—but particularly disabled people—do not have confidence in Disability Confident.<sup>188</sup>

109. The British Association for Supported Employment described the scheme as simply being "a numbers game" with "inadequate reporting, monitoring and support". <sup>189</sup> Many organisations took the same view. <sup>190</sup> We heard that the criteria for accreditation at each

```
183 Department for Work and Pensions, Disability Confident - Committed, September 2019, p.8
```

<sup>184</sup> Department for Work and Pensions, Level 2: Disability Confident Employer, accessed 29 June 2021

<sup>185</sup> Department for Work and Pensions, Level 3: Disability Confident Leader, accessed 29 June 2021

Department for Work and Pensions, Employers that have signed up to the Disability Confident scheme, accessed 29 June 2021

<sup>187</sup> Tom Pollard (DEG0003)

<sup>188</sup> Q138

<sup>189</sup> British Association for Supported Employment (DEG0065)

Social Justice Research LTD (<u>DEG0069</u>), RNID (<u>DEG0120</u>), Sense (<u>DEG0130</u>), Spinal Muscular Atrophy UK (<u>DEG0155</u>), Employment Lawyers Association (<u>DEG0157</u>)

level are not robust or challenging enough for employers, with it being possible for employers to be awarded the highest level of Disability Confident accreditation without having to employ a single disabled person. Clare Gray, Organisational Lead for Disability Advocacy at the Shaw Trust, told us that many disabled people feel that their experience with Disability Confident employers is no different than that of employers without accreditation. She said:

Something I am very mindful of from the disabled people I speak to is that, having approached a Disability Confident employer, their experience has not been any different than it would be for somebody who did not have that accreditation or that badge, so to speak. While it does have its place and it is good for getting organisations' interest in disability and helping them through those stages of building that inner disability confidence, there is still some way to go in getting better measurement of the effectiveness of the commitments that those employers sign up to.<sup>192</sup>

110. Disability organisations including Scope, Unity Works, Sense, and the MS Society also raised concerns about holding employers taking part on the scheme to account and ensuring that they are fulfilling their obligations. The organisations blamed the lack of accountability on the overreliance on self-certification as a means of awarding employers Disability Confident accreditation. <sup>193</sup> In oral evidence, James Taylor, Executive Director of Strategy, Impact and Social Change at Scope, echoed these concerns:

The scheme has been viewed as being too reliant on the employer's own self-assessment. I know there is some assessment from external organisations like charities or disabled people's organisations when you reach those top tiers, but there is a lot of reliance on the employer's own self-assessment of how well they are doing at employing disabled people. Some anecdotal evidence that we have had from disabled people over the past couple of months and years has suggested that their employers have not been particularly supportive of them, despite being signed up to the Disability Confident scheme.<sup>194</sup>

111. Some witnesses, including Rob Geaney of RNID, Martin Sigsworth of the Thomas Pocklington Trust, and Daniel Jennings of Epilepsy Action, expressed their support for the creation of an independent objective assessor that would have responsibility for assessing whether employers have fulfilled their Disability Confident obligations before awarding accreditation. We asked the Minister for Disabled People whether there is a role for a robust external assessor to be responsible for awarding accreditation to employers. He told us that the Department would explore the issue of accountability in the Health and Disability Green Paper:

We expect employers to undertake a series of significant activities that would, therefore, benefit people with disabilities or health conditions. We are increasingly being robust in that area at the higher tiers, working with the business leaders advisory group, and as we talk to stakeholders during

<sup>191</sup> Glasgow Disability Alliance (DEG0006), Leeds Autism AIM (DEG0145), MS Society (DEG0150)

<sup>192</sup> Q155

<sup>193</sup> Unity Works (DEG0001), Scope (DEG0147], Sense (DEG0130), MS Society (DEG0150)

<sup>194</sup> Q60

<sup>195</sup> Q179

the health and disability Green Paper we will explore what more needs to be done on that.

- [...] At those higher levels, where the real prestige is, we will have to make sure people are following the actions we expect of them, as we have done on the voluntary framework reporting.<sup>196</sup>
- 112. The Minister also told us that the Department can refuse accreditation at the renewal stage (every three years) if an employer has not met their commitments, and that the Department will explore this issue further in the Health and Disability Green Paper.
- 113. Following our oral evidence session on 19 May 2021, we wrote to the Minister asking if there were any circumstances in which the Department would consider removing accreditation from Disability Confident employers who were failing to meet their obligations. In his response, he told us that there is a complaints process which sets out the actions that should be taken against employers who are failing to comply with Disability Confident criteria:

In the event that an employer has failed to take adequate steps to resolve an issue, and there is clear evidence the employer is not applying the policies and practices of the Disability Confident scheme, DWP has the right to suspend the Disability Confident status of the employer until they have taken necessary action, and ultimately remove or downgrade Disability Confident status.<sup>197</sup>

The Minister told us that, at the time of writing. the Department had not ever had to remove or downgrade accreditation from any Disability Confident employer.

- 114. Our predecessor Committee's report on the *Disability employment gap*, published in February 2017, looked at the effectiveness of Disability Confident in improving employers' attitudes and recruitment practices towards disabled people. That Committee's report recommended the Department should commission an evaluation of Disability Confident before 2020 to assess whether the scheme is achieving its objectives. <sup>198</sup> In response to that report, the Department agreed to carry out an evaluation of the scheme. <sup>199</sup> In July 2018, in response to a Parliamentary Question, the Department said that it was currently developing proposals for an evaluation. <sup>200</sup> However, no proposals were announced before 2020 and the Department is still yet to commission an evaluation of Disability Confident.
- 115. To assess whether Disability Confident is meeting its objectives of increasing disability employment and changing employers' attitudes and recruitment practices, our predecessor Committee recommended that DWP should commission an evaluation of Disability Confident by 2020. DWP accepted the recommendation and in July 2018 said that it was developing proposals for an evaluation. The evaluation, however, is yet to be announced. In response to this report, the Department should urgently announce its plans to carry out a comprehensive evaluation of the Disability Confident scheme, and commit to a specific timetable for this evaluation.

<sup>196</sup> Q235

<sup>197</sup> Letter from the Minister for Disabled People, Health and Work, dated 30 June 2021

<sup>198</sup> Work and Pensions Committee, Seventh Report of Session 2016-17, Disability employment gap, HC 56, para.56

<sup>199</sup> Work and Pensions Committee, Seventh Report of Session 2016–17, Disability employment gap: Government Response to the Committee's Seventh Report of Session 2016–17, HC 652, p.6

<sup>200</sup> PQ 161191

116. By the Department's own admission, it is not possible to know whether Disability Confident is having any meaningful beneficial impact on the employment prospects of disabled people. As part of its evaluation, the Department should explore ways in which it can measure the success of the Disability Confident scheme. This should include, but not be limited to, a mandatory requirement for employers at levels 2 and 3 to routinely publish the percentage of disabled individuals working in their organisations through the Government's Voluntary Reporting Framework. Employers should also be required to notify the Government when they have signed up to the framework.

117. As part of its evaluation, to improve the effectiveness of the scheme, we recommend that the Department should establish an independent body to carry out objective external assessments of Disability Confident employers at levels 2 and 3 to monitor whether they are fulfilling their obligations. The Department should consider what action it could take against employers that are failing to meet their Disability Confident requirements.

118. We heard evidence that the Disability Confident Commitments (the criteria an employer must agree to in order to receive Level 1 accreditation) are not challenging enough for employers and focus too heavily on changing recruitment processes rather than committing employers to recruit and retain disabled employees. We also heard that employers can be awarded Disability Confident accreditation without having to recruit a single disabled person. As part of its evaluation, we recommend that the Department should consider whether the existing Disability Confident commitments, and the criteria at subsequent levels, is sufficiently challenging and encourages meaningful change from employers. We recommend that any new commitments should include a requirement for Disability Confident employers to recruit disabled people before being awarded a higher level of accreditation.

### "Health is everyone's business"

119. Alongside the Department of Health (now the Department of Health and Social Care), DWP launched a consultation, *Health is everyone's business: proposals to reduce ill health-related job loss*, in July 2019.<sup>201</sup> The consultation closed in October 2019, and the Department published the consultation outcome on 20 July 2021, alongside the Green Paper.<sup>202</sup>

120. In its consultation paper, the Government said that "significant intervention" is required to help disabled people and people with health conditions stay in work. It cited research which found that disabled people are ten times more likely to leave work following long-term sickness absence (that is, when an employee is unable to work for at least four weeks because of injury or ill health) than non-disabled people.<sup>203</sup> It invited views on a set of proposals aimed at reducing the number of people who lose their jobs because of ill health; these include reforming Statutory Sick Pay (SSP), improving occupational health provision, including ensuring that the market for occupational health is "able to deliver quality, cost-effective services to employers of all sizes", and making changes to the legal

<sup>201</sup> Department for Work and Pensions and Department of Health, <u>Health is everyone's business consultation</u>, July 2019

Department for Work and Pensions and Department of Health and Social Care, <u>Health is everyone's business:</u> government response, July 2021

<sup>203</sup> Department for Work and Pensions and Department of Health, Health is everyone's business: proposals to reduce ill health-related job loss, July 2019

framework, such as introducing a "right to request" workplace modifications for people who are not covered under the duty to make legal adjustments in the Equality Act.<sup>204</sup>

121. The consultation response set out which of these options the Departments have decided to take forward, and how.<sup>205</sup> For example:

- a) Improving access to occupational health (OH) services. The Government says that it intends to trial a subsidy for SMEs purchasing OH services, as smaller businesses are much less likely to have access to occupational health.
- b) Strengthening guidance to help give employers clarity on their responsibilities to disabled employees. The Government proposes a new role for the Health and Safety Executive, working with other arm-length bodies to produce non-statutory guidance. It also says the HSE will "explore" introducing statutory guidance in this area.
- c) Improving provision of information and advice to employers. Respondents to the consultation told the Government that they trusted information from central Government, but that "the current offer is fragmented, hard to navigate, and difficult to apply in practice". The Department says it has been talking to employers to "understand their needs", and that this will inform development work on a national information and advice service during 2021.

The Department decided not to progress with implementing a "right to request" workplace modifications, which would have covered people who are not covered by the Equality Act on reasonable adjustments. Instead, it says it will:

Take steps to increase awareness and understanding of existing workplace rights and responsibilities, in particular the duty to make reasonable adjustments under the Equality Act 2010.<sup>206</sup>

The response notes that some respondents to the consultation were concerned that a broad "right to request" could undermine the legal provisions in the Equality Act and "may legitimise refusing requests for adjustments and detract from the positive duty on employers to make reasonable adjustments".<sup>207</sup>

122. The consultation paper also suggested that the Government planned to reform Statutory Sick Pay. Employees who are unable to work because of sickness may be able to claim SSP, which is paid by their employer at a rate of £96.35 per week. To be eligible, the employee must earn, on average, at least £120 per week. The consultation paper, from 2019, said that SSP is "inflexible and does not reflect modern working practices, such as flexible working". It proposed extending support to people who fell below the lower earnings limit, and trailed the idea of imposing fines on employers who fail to pay SSP when it is due. Evidence we heard supported these measures: the Trades Union Congress (TUC) estimated that nearly two million workers are not eligible for SSP because their earnings fall below the threshold; people in precarious forms of work, such as workers in the "gig

<sup>204</sup> Ibid.

<sup>205</sup> Department for Work and Pensions and Department of Health, <u>Health is everyone's business: government response</u>, July 2021

<sup>206</sup> Ibid. p.6

<sup>207</sup> Ibid.

<sup>208</sup> Gov.uk, Statutory Sick Pay, accessed June 2021

economy", may also not qualify.<sup>209</sup> It recommended that the earnings threshold should be removed to allow lower-paid workers to receive SSP, while Citizens Advice said that the Government should do more to ensure that employers comply with the requirement to pay SSP to employees who are eligible.<sup>210</sup> We also heard evidence from Professor Dame Carol Black, who carried out an independent review of sickness absence for the Government in 2011. Dame Carol told us that she hoped the Government's response to the consultation would include reform of SSP:

I think one of the attractions to do something about the Statutory Sick Pay was because we again highlighted in our [2011] report that many smaller employers who were employing employees on pretty low levels of pay just simply did not pay SSP. They rather enabled the person to slip quite smoothly into the ESA system. I thought it was useful that they were going to have an extra look and consult on SSP.<sup>211</sup>

Research by the Resolution Foundation found that, before the pandemic, the UK was "almost at the bottom of the OECD league table for the generosity Statutory Sick Pay". Since the pandemic, the UK has slipped further down the table, as other countries have increased their rates of SSP or equivalent payment.<sup>212</sup> Respondents to the Government's consultation clearly supported reform of SSP. For example:

- a) 73% of respondents agreed that people below the lower earnings limit should be eligible for SSP, and support was consistent across smaller and larger businesses.<sup>213</sup>
- b) 72% said that there needed to be better enforcement of SSP where employers refused to pay it.<sup>214</sup> The Department says this will be part of the remit of the Single Enforcement Body, which is being developed by the Department for Business, Energy and Industrial Strategy.<sup>215</sup>

123. The Government decided not to introduce changes to rates or eligibility during the pandemic. In the response, it says that this is because doing so would have placed "immediate and direct cost on employers at a time where most were struggling and could have put more jobs at risk". Instead, the Government says it has prioritised "changes which could provide immediate financial support to individuals", such as the Test and Trace Isolation Payment. The Government says that the questions posed in the consultation and the responses now "require further consideration". It maintains that "now is not the right time to introduce changes to the sick pay system". <sup>217</sup>

<sup>209</sup> Trades Union Congress, Sick pay for all, March 2020

<sup>210</sup> See Citizens Advice, Health is everyone's business: proposals to reduce ill health-related job loss, October 2019 and Trades Union Congress, Health is everyone's business: TUC submission to the Department for Work and Pensions and Department for Health and Social Care consultation, November 2019

<sup>211</sup> Q7

<sup>212</sup> Resolution Foundation, <u>Time out: Reforming Statutory Sick Pay to support the Covid-19 recovery phase</u>,
December 2020

<sup>213</sup> Department for Work and Pensions and Department of Health, Health is everyone's business: government response, July 2021

<sup>214</sup> Ibid.

<sup>215</sup> Department for Business, Energy and Industrial Strategy, Good work plan: establishing a new single enforcement body for employment rights

<sup>216</sup> Department for Work and Pensions and Department of Health, Health is everyone's business: government response, July 2021

<sup>217</sup> Ibid.

124. We welcome the publication of the Government's response to the Health is everyone's business consultation, which closed in 2019. We look forward to scrutinising the Government's proposals in greater detail, particularly on improving access to occupational health for people in smaller businesses, which may not have dedicated HR functions. We recommend that the Government set out, in response to this report, more detail about its plans to test and evaluate the impact of a subsidy for SMEs and the self-employed, including its planned timetable.

125. It is disappointing that the Government has decided not to progress with plans for reforming Statutory Sick Pay (SSP). The Government acknowledges that there is clear support for SSP reform. The pandemic has highlighted some of the key weaknesses in the SSP system: notably, SSP is not available to two million of the lowest paid workers, and people in precarious forms of work may be excluded from support. The Government has taken steps to support low paid workers affected by coronavirus—but these payments will be phased out, and they do not negate the need for long-term reform of the SSP system, which the Government clearly recognised at the outset of the consultation in 2019. We recommend that in response to this report the Department set out in greater detail its plans for reforming SSP in future, including expected timescales.

# 4 Impact of the coronavirus pandemic

# Impact of the pandemic on the labour market for disabled people

126. During our inquiry, we heard that disabled people are more likely to be working in industries affected by the pandemic and are more likely to be facing redundancy than non-disabled people. Several organisations told us that disabled people are overrepresented in sectors that were forced to close during the national lockdowns, such as the hospitality, catering and retail sectors. Academics from the University of Sheffield and the University of York told us that the concentration of disabled people working in these sectors is likely to have long-term consequences that could worsen the disability employment gap, and that the adverse impacts will be particularly felt by those with mental health conditions. They said:

The shutdown sectors are dominated by hospitality and retail jobs (with a high occurrence of part-time and flexible work) and some of these firms will not survive the economic consequences of lockdown, meaning that these jobs will not be available in future. The prevalence of people with mental health disability in these sectors means that these workers are more vulnerable to the employment consequences of the pandemic than both non-disabled people and people whose disability is physical.<sup>219</sup>

127. The graph below shows the percentage of disabled people (including people with mental health disabilities and physical disabilities, labelled "MH disabled" and "PH disabled") and non-disabled people working in sectors shut down during the pandemic. It shows that from 2018 to the third fiscal quarter of 2020, a higher percentage of disabled people were working in 'shut down' sectors compared to non-disabled people.<sup>220</sup>

Unity Works (<u>DEG0001</u>), Down's Syndrome Association (<u>DEG0125</u>), Professor Jennifer Roberts, Dr Mark Bryan et al. (<u>DEG0132</u>), Scope (<u>DEG0147</u>), Q88 [Mr Kennedy], Q123 [Mr Harrison]

<sup>219</sup> Professor Jennifer Roberts, Dr Mark Bryan et al. (DEG0132)

26 25 working in shutdown sectors 24 23 22 21 19 18 17 16 15 14 2018Q1 2018Q2 2018Q3 2018Q4 2019Q1 2019Q2 2019Q3 2019Q4 2020Q1 2020Q2 2020Q3 non-disabled disabled --- MH disabled PH disabled

Figure 4: Workers in "shut down" sectors

Source: Professor Jennifer Roberts, Dr Mark Bryan et al. (DEG0132)

128. Gemma Hope, Director of Policy at the disability charity Leonard Cheshire, told us that the pandemic has had a disproportionate impact on disabled people's employment:

We have done our own research on this, which showed 71% of disabled people have had their work impacted by the pandemic. About 22% of people were in furlough, 25% of people had a reduction in working hours and a similar number as well have had a reduction in pay. We know that it has already had an impact and that is also reflected by what our employment advisers are telling us. [...] We have worked with the Institute for Employment Studies, which does show that the impact is disproportionate, using the Labour Force Survey, showing that 10% more disabled people than non-disabled people have had their work impacted by the pandemic.<sup>221</sup>

Disability Rights UK told us that the pandemic has had a "catastrophic impact" on disabled people's jobs, and that disabled people have been disproportionately affected by redundancies and reduction of hours. Citizens Advice, in its report *An unequal crisis*, looked at the impact of the pandemic on the risk of redundancies for disabled people. It found that of those who are facing redundancy, 51% have a disability or have a long-term health condition, despite disabled people only accounting for 20% of the working age population. Advice also found that some groups are more at risk of redundancy than others, with 45% of those considered "clinically vulnerable" to coronavirus facing redundancy, and for those who are considered "extremely clinically vulnerable", 48% are facing redundancy. The graph below shows the percentage of disabled people, carers, and those in the shielded group facing redundancy compared to the working population.

<sup>221</sup> Q68

<sup>222</sup> Disability Rights UK (DEG0097)

<sup>223</sup> Citizens Advice, An unequal crisis, August 2020, p.10

<sup>224</sup> House of Commons Library, Disabled people in employment, May 2021, p.3

<sup>225</sup> Citizens Advice, An unequal crisis, August 2020, p.10

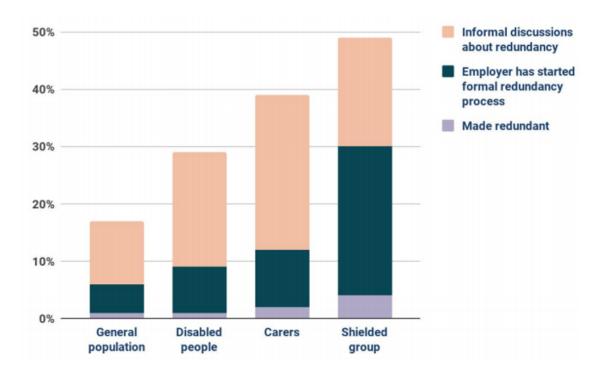


Figure 5: Percentage of disabled people facing redundancy

Source: Citizens Advice, An unequal crisis, August 2020, p.11

#### 129. Citizens Advice said:

The forthcoming waves of redundancies are likely to fall disproportionately on carers and disabled people. There are several possible reasons for this disparity. In part it may be because both groups are more likely to be working in sectors which are particularly vulnerable to the economic crisis. [...] However, there is also a risk that unfair and discriminatory practices by employers when selecting people for redundancy will contribute to these unequal outcomes. Although there is a legal framework to prevent this, our experience advising clients shows that unscrupulous employers often don't keep to these rules and that the effects of the pandemic may well exacerbate this long-standing problem.<sup>226</sup>

130. During our inquiry, we have heard concerns from disabled people about the impact of the pandemic on their employment prospects. One disabled person told us that they are worried that the pandemic will negatively affect employers' attitudes towards hiring disabled people:

I do fear the impact that the pandemic has had on companies and organisations who will be looking at the bottom line and ruling out moving to more accessible premises, spending on improving access and indeed hiring someone with an impairment in case they have to spend more to enable that employee.<sup>227</sup>

131. We heard that the pandemic could have an adverse impact on the employment prospects of young disabled people. Fazilet Hadi, Head of Policy at Disability Rights UK,

<sup>226</sup> Ibid. p.11

said that disabled young people will have "immeasurable problems" getting into work after the pandemic.<sup>228</sup> Gemma Hope of Leonard Cheshire echoed these concerns and told us that a disabled young person is 3.5 times more likely to be unemployed than a non-disabled young person.<sup>229</sup> Jane Harris, Director of External Affairs and Social Change at the National Autistic Society, said that young disabled people are struggling to access the labour market because many entry-level jobs are predominately in sectors that have been forced to close during the pandemic:

With some of the young people we are trying to support into work, they are trying to get into entry-level jobs in all of the industries that we all know have been most affected by the pandemic, so there is a much lower supply of jobs for those people, and that is really difficult.<sup>230</sup>

# Impact of the pandemic on trends in the disability employment gap

132. We heard that it is too early to track what the long-term impacts of the pandemic will be for disabled people's employment. Current data from the Office for National Statistics (ONS), however, suggest that the disability employment gap "widened slightly" in 2020.<sup>231</sup> Between October to December 2019 and July to September 2020, the employment rate for disabled people fell from 54.1% to 52.1%.<sup>232</sup>

133. Dr Mark Bryan, an academic specialising in disability employment, told us that the narrowing of the disability employment gap has "stalled in progress during the pandemic". In written evidence, Dr Bryan and other academics told us that there had been "no statistically significant changes to any disability employment gaps" so far during the pandemic. They stressed, however, that as the Coronavirus Job Retention Scheme (CJRS) has been extended until September 2021, it is still too early to assess the full impact that the pandemic has had on disabled peoples' employment. They did, however, identify that gaps in other related outcomes, such as the proportion of disabled and non-disabled people who are classed as "away from work" and who are employed but are working reduced hours, have widened. The academics said that these widening gaps "may signal employment changes to come" once the CJRS comes to an end. 235

# Impact of remote working

134. The evidence we heard presents a mixed picture of disabled people's experiences of remote working. Fazilet Hadi told us that remote working has been a "double-edged sword". She said that disabled people with energy-limiting conditions, who may struggle to access transport, have benefited from not having to travel into work, but others, she said, have "struggled to move to digital". Some of the disabled people we heard from said that accessing and using technology to work remotely was very difficult and could create difficulties for disabled people trying to enter the labour market. One disabled

#### person said:

Working from home due to the pandemic has impacted [disabled people] as instead of doing things face to face it's now all done using technology which isn't always accessible. Also while my employer would be happy for me to bring my Access to Work equipment home I just don't have the space for it.<sup>237</sup>

135. Several other witnesses and disability organisations said that accessing and using digital technology is a significant barrier to remote working for some disabled people. <sup>238</sup> Data from the 2020 Lloyds Bank Consumer Digital Index showed that only 38% of disabled people have the necessary digital skills for work, compared to 52% of non-disabled people, with transactional data showing that disabled people are 40% less likely to have received digital skills training from their employer. <sup>239</sup> The Good Things Foundation, a digital and social inclusion charity, told us that factors such as inaccessible websites and devices, as well as financial constraints, "means that people with disabilities miss out on employment opportunities and options for remote-working". <sup>240</sup>

136. For some disabled people, however, remote working has had a positive impact. A report by the trade union UNISON, *Covid-19 and disabled workers: Time for a home working revolution*, found that 73% of disabled people working remotely throughout the pandemic felt that they were "more or as productive" working from home than in the workplace. UNISON said that the main reasons disabled people gave for increased productivity were "fewer distractions, no commuting, fewer sensory issues such as lighting and background noise, and the greater ability to manage issues such as pain and access to the bathroom".<sup>241</sup> One disabled person said that working from home had helped to reduce their stress:

I'm hard of hearing and struggle in an open-plan office. The quiet of my home allows me to work with less stress or pressure.

Another person said that they were able to manage their condition better from home:

I'm autistic and the office is a relentless sensory assault. Almost every day when I used to get home from work, I had to lie down for half an hour with my eyes closed because they ached. I can now work in a room that's totally quiet.<sup>242</sup>

137. Responding to our inquiry, disabled people also shared their positive experiences of working remotely. One disabled person told us that working remotely had helped them to manage their condition better, although their employer had previously refused their requests to work from home:

One of the things that has been suggested countless times was to allow me to work from home a couple of days a week so that I could manage some of my symptoms a bit easier from home, and I was told constantly that it's just not appropriate for my role to be allowed to work from home and then

<sup>237</sup> Marie-Claire Barker (DEG0039)

<sup>238</sup> Business Disability Forum (DEG0163), Leeds Autism AIM (DEG0145), Unity Works (DEG0001), RNID (DEG0120), Volition, Forum Central (DEG0133), Sense (DEG0130), Q163 [Mr Geaney & Mr Sigsworth]

<sup>239</sup> Lloyds Bank, UK Consumer Digital Index 2020, May 2020, p.26

<sup>240</sup> Good Things Foundation (DEG0159)

<sup>241</sup> UNISON, Covid-19 and disabled workers: Time for a homeworking revolution, August 2020, p.3

<sup>242</sup> Ibid.

of course the pandemic hit and now I'm working from home full time and it turns out it's completely possible for me to do my role from home. And it has had a positive impact on my symptoms, so being a lot easier to manage working from home, it's just one of the things that my employer could have done to help me a little bit and just sort of chose not to.<sup>243</sup>

138. In its report, UNISON said that 54% of disabled people felt that they would benefit from remote working once the pandemic is over, compared to 25% who felt that remote working would disadvantage them. It also found that 37% of disabled people cited resistance from employers and the nature of their jobs as the main obstacles to being able to work remotely.<sup>244</sup> It recommended that the Government should introduce a "new enforceable right to home working for disabled workers who want it".<sup>245</sup>

139. Several other contributors to our inquiry have also called for changes to legislation on workers' rights surrounding remote or flexible working.<sup>246</sup> Currently, employees have the legal right to request flexible working if they have worked continuously for at least 26 weeks. The Chartered Institute for Personnel and Development (CIPD) said that flexible working will "make work more accessible and sustainable for all, particularly for people with some disabilities and health concerns".<sup>247</sup> In its report, *Working well? How the pandemic changed work for people with health conditions*, the Centre for Ageing Better said that more remote working will create new opportunities for disabled people in the labour market, and that employers should capitalise on the benefits of remote working that have been seen throughout the pandemic:

Employers would be wise to learn from this great natural experiment in home working to ensure that the benefits can be properly reaped by anyone who will want to continue to work remotely in the coming years.<sup>248</sup>

140. In its response to the *Health is everyone's business* consultation, published in July 2021, the Government announced that it had decided not to progress with its suggestion of introducing a "right to request" workplace adjustments for all workers. It feared that this could undermine the existing duty on employers to make reasonable adjustments for disabled people under the Equality Act, and lead to requests being refused.<sup>249</sup> For some disabled workers in some jobs, working remotely or flexibly could be an example of such a request. Instead, the Government said that it would work on providing clearer, easy to navigate guidance to employers on their duties to disabled employees and how to carry them out effectively.

#### 141. In the same document, the Government said that:

Flexible working has the potential to help improve retention of staff who may otherwise fall out of work due to a (temporary or permanent) change in their health. The Department for Business, Energy and Industrial

- 243 Transcript of engagement event, 22 April 2021, p.26
- 244 Unison, Covid-19 and disabled workers: Time for a homeworking revolution, August 2020, p.6
- 245 Ibid.
- 246 Scope (DEG0147), Disability Rights UK (DEG0097), Brunel University London (DEG0098)
- 247 Chartered Institute of Personnel and Development (DEG0135)
- 248 Centre for Ageing Better, Working well? How the pandemic changed work for people with health conditions, lune 2021, p.18
- Department for Work and Pensions and Department of Health, Health is everyone's business: government response, July 2021, p.21

Strategy (BEIS) is taking forward the 2019 Conservative Party manifesto commitment to encourage flexible working and to consult on making it the default unless employers have good reasons not to. The consultation will be published in due course.<sup>250</sup>

142. The pandemic has led to a sharp increase in the number of people working remotely. It is clear from the evidence we heard that while remote working has created new access barriers for some disabled people, for many others it has aided their participation in the labour market. The evidence we heard suggests that the majority of disabled people want to continue working remotely after the pandemic. The Government should support their right to do so. The Government should work with employers to ensure that disabled people are supported to work in an environment that suits them best: whether this is from home or at their place of work. To that end, the Government should amend current legislation and give workers the statutory right to request remote or flexible working from of the beginning of their employment. In some industries or some roles it may not currently be feasible for workers to carry out their roles remotely. As with the existing right to request flexible working for employees with at least 26 weeks' service, employers should follow Acas' Code of Practice on dealing with flexible working requests in a reasonable manner, which should involve weighing the benefits of any changes against any adverse impact on the business. It should also work with employers to ensure that their places of work are inclusive and accessible for all, so that disabled people who do not want to work from home are well supported.

143. The Office for National Statistics has found that disabled people "made up 6 in 10 (59.5%) of all deaths involving the coronavirus (COVID-19) for the period to 20 November 2020 (30,296 of 50,888 deaths)."<sup>251</sup> It notes for comparison that disabled people made up 17.2% of the study population, and concludes that this suggests that "disabled people have been disproportionately impacted by the COVID-19 pandemic".<sup>252</sup>

144. Disabled people were identified by the ONS based on their disability status as reported in the 2011 Census, with a distinction between people who reported that their day-to-day activities were "limited a little" and "limited a lot" as a result of a long-term health condition. The ONS refers to people in these two categories as "less-disabled" and "more-disabled". Between 24 January and 20 November 2020 in England, the ONS found that "risk of death involving the coronavirus (COVID-19) was 3.1 times greater for more-disabled men and 1.9 times greater for less-disabled men, compared with non-disabled men; among women, the risk of death was 3.5 times greater for more-disabled women and 2.0 times greater for less-disabled women, compared with non-disabled women.<sup>253</sup>

145. The ONS used statistical models to adjust for personal and household characteristics, including residence type, geography, demographic and socio-economic factors (including occupation), and pre-existing health conditions. It found that a smaller but statistically significantly raised risk of death remained unexplained for more-disabled and less-disabled women (1.4 and 1.2 times respectively) and more-disabled men (1.1 times) but

<sup>250</sup> Ibid. p.23

Office for National Statistics, Updated estimates of coronavirus (COVID-19) related deaths by disability status, England: 24 January to 20 November 2020, 11 February 2021

Office for National Statistics, Updated estimates of coronavirus (COVID-19) related deaths by disability status, England: 24 January to 20 November 2020, 11 February 2021

Office for National Statistics, Updated estimates of coronavirus (COVID-19) related deaths by disability status, England: 24 January to 20 November 2020, 11 February 2021

not for less-disabled men. The ONS concluded that:

This means that no single factor explains the considerably raised risk of death involving COVID-19 among disabled people, and place of residence, socio-economic and geographical circumstances, and pre-existing health conditions all play a part; an important part of the raised risk is because disabled people are disproportionately exposed to a range of generally disadvantageous circumstances compared with non-disabled people.<sup>254</sup>

146. There is no clear evidence which explains why disabled people have a considerably raised risk of death from coronavirus. There is a need for further research to investigate the extent to which disabled people's experiences in the workplace may play a part in this. We recommend that DWP work with HSE to commission research to better understand whether there is a link between occupational settings and the raised risk of death from coronavirus for disabled people.

### The Kickstart and Restart schemes

147. In July 2020, as part of its Plan for Jobs, the Government announced the creation of Kickstart, a new employment support scheme aimed at 16–24-year olds claiming Universal Credit. The scheme provides funding to employers to create 6-month job placements for young people to gain work experience and improve their employment prospects. As of 3 June 2021, 138,000 placements had been advertised and 31,000 young people had started a placement.<sup>255</sup>

148. In an equality analysis for the Kickstart scheme, the Department said that the scheme is not specifically targeted at disabled people, but that it has the potential to benefit this group. The analysis recognises that disabled people may face barriers to accessing the programme and said that the Department would mitigate these through:

- National Employment Partnership Team and Jobcentre Plus (JCP) staff working closely with employers to refer employers to Access to Work funding as appropriate.
- JCP staff using discretion and knowledge of local employers and candidates to match Disability Confident employers, or otherwise suitable placements (e.g. primarily home working) to relevant candidates.
- Monitoring referrals to enable the Department to target support to JCPs where disproportionately few disabled young people are accessing Kickstart.
- By using a referral process via work coaches, participants on the Kickstart Scheme will have a named contact from JCP that they will be encouraged to contact if they experience problems, who can refer them to groups like Acas or Citizen's Advice, as appropriate.<sup>256</sup>

<sup>254</sup> Office for National Statistics, Updated estimates of coronavirus (COVID-19) related deaths by disability status, England: 24 January to 20 November 2020, 11 February 2021

<sup>255</sup> PQ 11544

<sup>256</sup> Department for Work and Pensions, Equality Analysis for the Kickstart Scheme, June 2021, p.6-7

149. In the November 2020 Spending Review, the Chancellor of the Exchequer allocated £2.9 billion of funding for Restart, a new employment support programme. The scheme will provide employment support to Universal Credit claimants who have been out of work for between 12–18 months. The Department has said the scheme will "break down employment barriers" that are preventing claimants from accessing the labour market. Referrals to the scheme will be made over a 3-year period and the Department has said that it expects the scheme to support over one million Universal Credit claimants. The scheme was launched on 28 June 2021 and referrals to providers were expected to begin on 12 July.

#### Data collection

150. In our Report, *DWP's preparations for changes in the world of work*, we examined how well the Kickstart and Restart schemes will work for disabled people. We concluded, however, that longstanding deficiencies in the collection and storage of claimant data in the Universal Credit system meant that the Department cannot effectively measure, in real-time, how well the Kickstart and Restart schemes are working for different groups of people, including disabled people. In our report, we recommended that the Department should urgently make improvements to the Universal Credit system, to enable it to record and use data about claimants' characteristics.<sup>259</sup>

151. The Department has said that it will publish data on the outcomes of different groups of people who participate on the Kickstart and Restart schemes, but only after evaluations of the schemes have taken place, rather than when the schemes are live. <sup>260</sup> On Kickstart, the Permanent Secretary told us in November 2020 that the Department was "currently considering how to collect and aggregate sensitive information from Universal Credit claimants". He told us that as part of the Kickstart evaluation, the Department was planning a "representative two-wave longitudinal study" to record whether participants on Kickstart have a disability. <sup>261</sup>

152. We pressed the Minister for Disabled People on this issue when he gave evidence to our inquiry. The Minister told us that it would be "helpful", and he would be "interested", to have more real-time data on the characteristics of Kickstart participants, but he reiterated that the Department will collect this data as part of its evaluation once the scheme has finished.<sup>262</sup> We asked the Minister why the Department had decided to take this approach, he said:

My understanding [...] is that you can have two types of data. We can have what is called management information, where we would ask everything we need at the beginning so we have it, or you get the information based on an evaluation of a scheme further down the line, where you will take a sample, you will ask those questions and then that will become the data that you use. The difference is that it is not 100% of people and, secondly, it is further down.

<sup>257</sup> HM Treasury, Plan for Jobs, July 2020, p.8-9

<sup>258</sup> Department for Work and Pensions, How the Restart scheme will work, accessed 9 June 2021

Work and Pensions Committee, First Report of Session 2021–22, DWP's preparations for changes in the world of work, HC 216, para.92–94

<sup>260</sup> PQ 19701

<sup>261</sup> Letter from the Permanent Secretary to the Chair, dated 21 November

<sup>262</sup> Q218

For me, it is helpful to have it earlier, but I absolutely accept—because I have to go on visits to jobcentres and talk to work coaches—that they do not want to spend a long time in that initial conversation. Remember that a lot of people going into a jobcentre for the first time will be anxious. One of the most important roles of a work coach is to build a positive relationship, build trust, and that is not helped if you are asking a series of what are non-personal questions. It is about that balance again.<sup>263</sup>

153. DWP has published data on results for its previous employment support programmes while they were running. For example, on the Work Programme, the Government's previous main welfare-to-work scheme, the Department published statistics on job outcomes and performance of different customer groups quarterly until September 2017. After this point, the Department reported outcomes every six months, although this was stopped after the March 2018 release because of changes in the way performance information was recorded.<sup>264</sup>

154. DWP must ensure that the Kickstart and Restart schemes are accessible to disabled people. Before September 2017, the Work Programme reported quarterly on job outcomes for disabled people: the Department should be able to do as good a job with Restart and Kickstart. Publishing an evaluation of how well the schemes have worked for disabled people only after they have ended is not good enough. In our report on DWP's preparations for changes in the world of work, we recommended that the Department should immediately improve how it collects data about claimants' characteristics in the Universal Credit system so that it can monitor, in real-time, how well the Kickstart and Restart schemes are working for particular groups, including disabled people. We reiterate that recommendation now.

### Creaming and parking

155. The payment-by-results model used in the Work Programme led to criticism that providers were prioritising their support to participants who were closest to the labour market, and therefore more likely to achieve a job outcome, than people who were further from the labour market and would need the most support, a practice referred to as "creaming and parking". We wrote to the Secretary of State for Work and Pensions, Rt Hon Dr Thérèse Coffey MP, in January to ask how the Department would ensure that the practice of creaming and parking is not repeated under the Restart scheme.<sup>265</sup> The Secretary of State told us that the Department has "learned from the failures of previous schemes" and has implemented four new measures to mitigate unintended practices. These measures include:

- Designing strong customer service standards into the contract, including specifying on personalisation and a minimum frequency of contact using a variety of methods and channels.
- Using an "accelerator payment model" that offers higher payments for higher numbers of outcomes to encourage providers to give extra support to those who need it.

<sup>263</sup> Q219

<sup>264</sup> Department for Work and Pensions, Work Programme statistical summary: data to June 2020, accessed 28 June 2021

<sup>265</sup> Letter from the Chair to the Secretary of State for Work and Pensions, dated 18 January 2021

- Ensuring that Work Coaches refer those who are very far from the labour market to other more intensive or specialist support where appropriate.
- A robust performance management process which includes the use of a regular customer satisfaction survey that would monitor each contract on a quarterly basis.<sup>266</sup>

156. Work Choice was a specialist voluntary programme that provided employment support to disabled people. The scheme was launched in October 2010, replacing WORKSTEP and Work Preparation, and closed for new referrals across the United Kingdom by February 2018, when it was subsequently replaced by the Work and Health Programme. Participants on the scheme received tailored support to help them into employment. The Work Choice funding model included a significant upfront service fee (equal to 70% of a provider's contract price) for each participant who started on the programme. The provider then received further outcome-based payments if an individual it supported obtained a job outcome, and a final payment if that job outcome was sustained for at least six months.<sup>267</sup>

157. An evaluation of Work Choice, carried out on behalf of DWP by the Centre for Economic and Social Inclusion in July 2013, said that the service fee element in the payment model was "important for a specialist programme because of the support requirements of the participant group". The evaluation also said that the different payment models for Work Choice and the Work Programme "appeared to be driving different levels of resourcing for the two programmes" including Work Programme providers being more likely to "cream and park" participants. The evaluation said:

There were significant reported differences between adviser caseloads on each programme, with Work Programme caseloads several times larger than those on Work Choice, even within a single provider organisation. There was also some evidence of greater levels of target-driven behaviour on Work Programme, including some reports of 'parking' and 'creaming' of participants.<sup>268</sup>

In addition, the evaluation found that the upfront service fee was "overwhelmingly seen as positive" by providers and subcontractors. It said:

Providers gave examples of how service fee payments facilitated a more planned approach and supported investment in service delivery. Overall it was felt to have a positive impact on the type and level of support that they could provide. This was felt to be extremely important because of the nature of the target participant group of the programme i.e. those with significant and complex support needs. [...] The service fee was also felt by some subcontractors to be a key factor in the financial sustainability of the contract and their ability to deliver it. [...] When discussing the service fee, a number of providers compared Work Choice favourably to the Work Programme where there is a much greater focus on outcome-based (and therefore delayed) payments. 269

<sup>266</sup> Letter from the Secretary of State for Work and Pensions to the Chair, dated 2 February 2021

<sup>267</sup> Department for Work and Pensions, Work Choice statistics: background information note, accessed 28 June 2021

Department for Work and Pensions, Evaluation of the Work Choice Specialist Disability Employment Programme, July 2013, p.24

In its recommendations, the Centre for Economic and Social Inclusion said that "any future funding model for specialist disability employment services should recognise the importance of service fees for provision aimed at this participant group".<sup>270</sup>

158. DWP must demonstrate that lessons have been learnt from previous schemes and ensure that the payment model used in Restart does not disincentivise providers from supporting those who are furthest away from the labour market, including some disabled people. Although Restart will not be a specialist disability programme, some disabled people will undoubtedly seek support from the scheme. An evaluation of Work Choice, carried out on behalf of DWP, highlighted the importance of paying providers service fees for provision aimed at disabled people. The Department should incorporate a service fee element into its payment model for Restart to ensure that providers are incentivised to support disabled people, and other cohorts, that may be furthest away from accessing the labour market.

# 5 The disability benefits system

159. Disabled people of working age can claim Employment and Support Allowance (ESA), a benefit paid to people whose disability or health condition limits how much they can work. This is sometimes referred to as contributory or "new style" ESA because people may only claim it if they have paid enough in national insurance contributions. Disabled people can also claim Universal Credit, the Government's main welfare benefit, which contains an additional disability element. DWP says that, in addition to financial support, ESA provides "support to get back into work" for people who are able to work.<sup>271</sup>

160. In a February 2021 report for the Social Market Foundation, *Time to think again*, Matthew Oakley of the Social Market Foundation, a think tank, said that the benefits system is "failing" disabled people, and that the Government should use its Green Paper on health and disability support to set out a new approach.<sup>272</sup> Tom Pollard, an independent policy expert who previously worked for DWP, said that the overall caseload for disability benefits (ESA, the equivalent groups in Universal Credit—that is, people who have been assessed as having limited capability for work or work-related activity—and older incapacity benefits) has risen by 12% over the past five years, despite population growth of only 3%. This, he argues, shows that the Government has made "very little progress" in supporting disabled people into work over the past few years.<sup>273</sup> The increase is shown in the graph below.

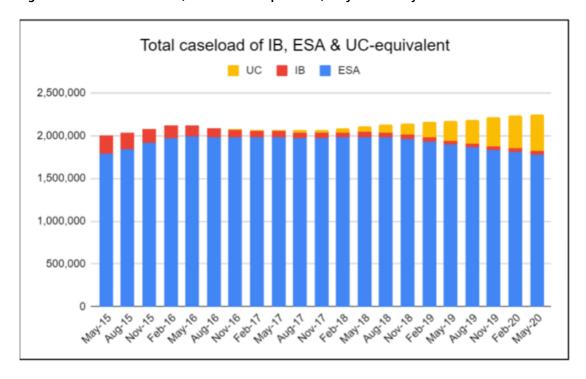


Figure 6: Total caseload of IB, ESA and UC-equivalent, May 2015 - May 2020

Source: Tom Pollard (DEG0003)

<sup>271</sup> Gov.uk, Employment and Support Allowance (ESA), accessed June 2021

<sup>272</sup> Matthew Oakley, Social Market Foundation, <u>Time to think again: Disability benefits and support after COVID-19</u>, February 2021, pp.6–7

<sup>273</sup> Tom Pollard (DEG0003)

161. We heard evidence that, for many people, their experiences of the disability benefits system have had a detrimental impact on their mental health. Catherine Hale, Founder and Director of the Chronic Illness Inclusion Project, said that "the insecurity of the benefit system, the flaws in the assessments, the onerous process of appeals and the frequency of reassessments" leads to many claimants living on a "treadmill of anxiety". <sup>274</sup> Dr Jed Boardman of the Royal College of Psychiatrists said that, during his experience of working with people with serious mental health conditions, many claimants experienced "enormous anxiety" when required to undergo a reassessment which, in some cases, resulted in patients relapsing. <sup>275</sup>

# The Work Capability Assessment

162. People who apply for ESA must undergo a Work Capability Assessment (WCA), which is designed to assess whether they are fit for work or not. Following completion of a WCA, applicants are placed into one of three groups:

- Fit for work: People in this group are deemed to be fit for work and must carry out activity such as looking for work;
- Work-related Activity Group: People in this group have to carry out activity to prepare them for returning to work, for example attending work-focused interviews at a Jobcentre Plus;
- Support Group: People in this group do not have to carry out any work-related activity.

163. Several witnesses who gave evidence to our inquiry criticised the WCA. In his report, Matthew Oakley said that the system of disability benefit assessments, which can require claimants to undergo repeat assessments, has not only created "trauma" but has not reduced the number of disabled people claiming benefits. He said:

At the same time as failing to deliver a reduction in the number of people on disability benefits and the associated costs, the ongoing assessments, reassessments, delays, appeals and subsequent results have caused trauma and upheaval to millions of people, and created an environment of fear and distrust towards the DWP among ill and disabled people, and the organisations representing them.<sup>276</sup>

164. Professor Dame Carol Black, who carried out an independent review of sickness absence for the Government in 2011, described the WCA as "not fit for purpose". <sup>277</sup> Ben Baumberg Geiger, a Senior Lecturer at the University of Kent, said that the WCA has "fundamental failings" which cannot be addressed "by a bit of tweaking", and that the process does not capture how claimants' lives are affected by their health condition or how this relates to their experiences of work. <sup>278</sup>

<sup>274</sup> Q197

<sup>275 096</sup> 

<sup>276</sup> Matthew Oakley, Social Market Foundation, <u>Time to think again: Disability benefits and support after COVID-19</u>, February 2021, p.27

<sup>277</sup> Q10

<sup>278</sup> Q80

165. James Taylor of Scope told us that the WCA can be "anxiety-inducing" for claimants. He said:

We know from many disabled people and colleagues' research and other research over the years that the WCA is very stressful for people and it is anxiety-inducing. It is often overturned and is taken to tribunal and found in the claimant's favour most of the time. Therefore we want to see it rebuilt with disabled people at the heart of that policy making and input and sharing their experiences and crucially, as you said, separating financial support from employment support.<sup>279</sup>

Scope has called for DWP to replace the WCA with a new assessment for determining what financial support ESA claimants are entitled to, with a separate, optional assessment for determining their employment support needs.<sup>280</sup> Sarah Rawlings of the MS Society, which supports people with multiple sclerosis, agreed that the WCA should undergo "significant change", and said that DWP should use its upcoming Green Paper on health and disability support to set out how it will improve it.<sup>281</sup>

166. Criticism of the WCA has often focused on the fact that a significant proportion of "fit for work" outcomes are overturned on appeal. People who have undergone a WCA can request a Mandatory Reconsideration, which is carried out by the Department; if, following the Mandatory Reconsideration, the claimant is still dissatisfied with the outcome, they may appeal to an independent tribunal. Figures published by DWP in 2019 show that 67% of fit for work outcomes were overturned on appeal.<sup>282</sup> Sarah Rawlings told us that people with MS had consistently raised concerns about the "accuracy and quality" of the WCA.<sup>283</sup>

167. The Minister acknowledged that the WCA system is "not 100% perfect" and that witnesses to our inquiry had made "fair challenges". He told us that the Department plans to explore possible improvements to the WCA in its Green Paper:

We also recognise that the principle of the work capability assessment, a very fair challenge from stakeholders and people who have gone through the process, is that it is almost predicated to identify what you cannot do rather than what you can do, and it also creates perverse incentives within the system for people to then feel that they cannot seek to engage for employment opportunities for fear of potentially losing additional financial support. There are some in-built challenges that need to be reformed. We also need to look at better ways to bring forward earlier conversations to identify the support so they are not necessarily waiting to unlock those additional opportunities through the work capability assessment.

We have a real appetite to have a full and frank conversation with those people who have real lived experience, and again it will be a key part of our health and disability Green Paper. We are receptive to the challenges in this area.<sup>285</sup>

```
279 Q67
```

<sup>280</sup> Scope (DEG0147)

<sup>281</sup> Q198

Department for Work and Pensions, Employment and Support Allowance: Work Capability Assessments,
Mandatory Reconsiderations and Appeals, 13 June 2019

<sup>283</sup> Q198

<sup>284</sup> Q252

<sup>285</sup> Q252

168. The Work Capability Assessment (WCA) is not fit for purpose. The fact that a majority of appeals against fit for work decisions are successful is evidence that it is not achieving its aim of supporting disabled people who can and want to work into employment. The assessment process can also create anxiety and distress for claimants, pushing them further away from the labour market in the process. We welcome the Minister's admission that the system is flawed and needs to change, and we plan to look at this issue in more detail in a separate inquiry. We welcome the fact that the Department has now published its Green Paper on health and disability support. It says that it will consider how to address some of the existing problems with the disability benefits system, including whether it can achieve this within the current structure or whether "wider change" is needed. DWP should use this as a starting point to carry out wholesale reform of the WCA.

# Sanctions and conditionality

169. People who are assessed as fit for work or placed in the Work-related Activity Group (WRAG) can receive a sanction, which is a deduction from their benefit award, if they do not meet the requirements placed upon them, such as looking for work or undertaking work-related activity (people placed in the Support Group are not required to undertake any work-related activity and therefore do not receive sanctions). In his 2018 report for the think tank Demos, *A better WCA is possible*, Ben Baumberg Geiger said that over a million disabled benefit claimants have received a sanction since 2010.<sup>286</sup>

170. Our predecessor Committees considered DWP's approach to sanctions in two reports, published in 2015 and 2018. In its 2015 report, the Committee found that there was a "lack of evidence for the efficacy of financial sanctions in moving claimants with long-term health conditions and disabilities closer to employment or into work". It recommended that DWP should test alternative non-financial forms of conditionality and explore alternative models of employment support, such as Individual Placement and Support, for people in vulnerable groups.<sup>287</sup> Its successor Committee concluded in 2018 that there was an "urgent need for change" to DWP's sanctions policy. That Committee recommended that the following groups should be exempt from sanctions:

- a) People assessed as having limited capability for work;
- b) People who fall outside this group but have an impairment or health condition and a valid Fit Note stating that they are unable to work;
- c) Universal Credit claimants who are waiting for a Work Capability Assessment and have a valid Fit Note stating that they are unable to work.<sup>288</sup>

It also recommended that "the Department explore all options for allowing a warning, instead of a sanction, to be issued in response to any claimant's first sanctionable failure."<sup>289</sup> In its response, the Government did not accept the Committee's recommendation that it should exempt these groups from sanctions, but said that it would "explore options further" on how to "engage claimants in provision and conditionality".<sup>290</sup>

<sup>286</sup> Ben Baumberg Geiger, A Better WCA is Possible, February 2018, p.69

Work and Pensions Committee, Fifth Report of Session 2015–16, Benefit sanctions policy following the Oakley Review, HC 814, para 133–135

<sup>288</sup> Work and Pensions Committee, Nineteenth Report of Session 2017–19, Benefit Sanctions, HC 955, para 62–63

<sup>289</sup> Work and Pensions Committee, Nineteenth Report of Session 2017–19, Benefit Sanctions, HC 955

<sup>290</sup> Work and Pensions Committee, Nineteenth Special Report of Session 2017–19, Benefit sanctions: Government response to the Committee's Nineteenth Report of Session 2017–19, HC 1949

171. Some organisations have criticised the approach to conditionality for disabled benefit claimants. UNISON, a trade union, expressed concern about the "punitive nature" of the sanctions and conditionality regime.<sup>291</sup> Mencap, a charity that supports people with learning disabilities, said that sanctions can push people with learning disabilities away from the labour market and trap them in a "cycle of poverty".<sup>292</sup> Tom Pollard also told us that conditionality had had little impact on claimants' job outcomes:

Both groups—those who are required and those who are not required to engage with DWP support—had very low job outcomes. You are talking about 4% of the caseload moving into work each year. Clearly conditionality isn't a deciding factor in whether that support is effective or not.<sup>293</sup>

172. In his report, Ben Baumberg Geiger referred to evidence suggesting that sanctions "may have zero or even negative impacts on work-related outcomes". He also said that there is "widespread anecdotal evidence that conditionality and sanctions can lead to anxiety and broader ill health". <sup>294</sup> David Stephenson of Mind, a mental health charity, said that sanctions and conditionality make it more difficult for claimants to "build trusting relationships with jobcentre staff and assessors" and leads to people being afraid of losing their benefits, which can undermine the effectiveness of the system. <sup>295</sup>

173. The Minister told us that while sanctions can be "an important part of the mix" for some claimants, they should only be used as a "last resort". <sup>296</sup> He said that the Department had taken steps to reduce the use of sanctions by improving how it identifies claimants who may be vulnerable. He recalled that, when he was a member of our predecessor Committee when it conducted an inquiry into sanctions in 2018, sanctions were being applied at a rate of about 4%. He noted that the figure was now much lower, saying:

Pre-Covid it was down to 1.7%. I suspect that will go further by making absolutely sure we are identifying those vulnerable claimants, providing where appropriate that independent advocate support, and having that one last push to try to find a way to build a positive relationship. You can tell I feel very passionate about this. It is a key theme of the health and disability Green Paper coming forward.<sup>297</sup>

In response to a Parliamentary Question, the Minister for Employment, Mims Davies MP, said that the Department is exploring the option of providing a written warning instead of a sanction for claimants following their first sanctionable failure to attend a Work Search Review.<sup>298</sup> The purpose of a Work Search Review is to check whether claimants are meeting any requirements to look for work.

174. In its Green Paper on health and disability support, the Department recognised that some people are "nervous" about engaging with employment support and said that it has "rolled out a new approach to conditionality for disabled people and people with health conditions".299 This approach applies to ESA claimants in the Work-Related Activity

```
UNISON (DEG0124)
Mencap (DEG0167)
Q78
Ben Baumberg Geiger, A Better WCA is Possible, February 2018, p.16
Q96
Q251
Ibid.
PQ 11582
Department for Work and Pensions, Shaping Future Support: The health and disability Green Paper, 20 July 2021, p.26
```

Group, Universal Credit claimants who have been assessed as having Limited Capability for Work, and both ESA and UC claimants who are awaiting a WCA. Under this new approach:

Work coaches have the option of applying no mandatory requirements if they feel this is appropriate for the person's individual circumstances, but instead are encouraged to set voluntary steps the person could take to move towards or into work. These could include, for example, developing a CV or looking for suitable jobs online. Using their discretion, work coaches apply mandatory requirements only if and when they are needed.<sup>300</sup>

The Department said that this approach had been shown to be effective when tested, as Work Coaches "were able to apply more tailored activities to help people prepare for and progress in work". It has now rolled this approach out nationally, "subject to ongoing evaluation".<sup>301</sup>

175. Sanctions can have a negative impact not only on disabled people's employment prospects, but on their overall wellbeing. The Minister told us that the conditionality regime forms part of a "menu of support" and that sanctions are only used as a last resort, but even he acknowledged that it is in "no one's interest" for a sanction to be applied. We welcome the fact that DWP has very recently adopted a new approach to conditionality, with a focus on voluntary engagement, for some disability benefit claimants. But this change is long overdue. In response to this report, DWP should set out the evidence in support of its new approach, what involvement disabled people had in developing it, and what plans it has to evaluate it. It should also provide its most recent evidence on the impact of sanctions on disabled claimants, including on their mortality, as well as any lessons it has learned from the suspension of the conditionality regime during the coronavirus pandemic. It should also set out in response to this report the action it has taken in response to our predecessor Committees' reports from 2015 and 2018 on benefit sanctions and their impact on disabled people and people with health conditions, including their recommendations that some groups should be exempt from sanctions and that DWP should explore options for non-financial sanctions and that it explore options for a warning to be issued for a first sanctionable failure. In particular, it should explain what it has done to engage claimants in provision and conditionality, as it undertook to do in 2018. It should commit to reducing the number of disability benefit claimants who are subject to conditionality and decrease the value of sanctions. The Department should only impose sanctions when all other avenues have been exhausted.

# DWP's relationship with disabled people

#### Issues of trust towards DWP

176. During our inquiry, we heard that DWP is not well trusted by disabled people. Lord Shinkwin, Chair of the Centre for Social Justice Disability Commission, a think tank, and a Conservative Peer in the House of Lords said:

On your final point about Government engagement with disabled people, I am sorry to say, but, as a Conservative parliamentarian, I am mortified by

the way that the DWP in particular treats disabled people—who after all are its main stakeholder—with such palpable disrespect.<sup>302</sup>

He said that the Government's National Strategy for Disabled People will be received poorly if responsibility for carrying out the strategy sits with DWP:

Sadly, as I mentioned earlier, the PM's strategy is not going to land well if it is entrusted to the Department for Work and Pensions to take forward. In fact, it will be as good as dead on arrival because not only does the DWP insult its primary stakeholders—disabled people—in many of its communications [...] the culture is very much about doing things for disabled people rather than with them.<sup>303</sup>

## Engagement with disabled people

177. We also heard concerns from several witnesses and organisations that the Government's engagement with disabled people on development of the National Strategy for Disabled People had been poor. The RNID told us that it had not seen any evidence of the Cabinet Office, which is home to the cross-government Disability Unit, "engaging in substantive consultation" with disabled people on the Strategy. Moreover, the National Autistic Society told us that engagement with disabled people on the Strategy had been "very limited", while UNISON, a trade union with over 200,000 disabled members, told us that it has had no engagement from the Government on development of the Strategy.

178. In its report, How DWP involves disabled people when developing or evaluating programmes that affect them, the Social Security Advisory Committee (SSAC), an independent body that provides impartial advice on social security, said that the level of trust towards DWP from disabled people had "deteriorated over a period of successive administrations". In meetings with DWP officials, SSAC heard that a lack of trust towards the Department from disabled people was "a major issue; and a barrier not only to joint working but to the effective delivery of their services. SSAC did say, however, that the Department's intention to engage with disabled people is "genuine", and that the Department is taking steps to rebuild relationships with disabled people. To help rebuild levels of trust with disabled people, SSAC's report recommended that the DWP should develop a protocol for engagement which sets out the following seven principles:

- The principle that DWP will engage to the greatest extent possible in the prevailing context; setting out what models of engagement should be adopted in which broad circumstances.
- Principles about feedback and openness, so that disabled people know what they
  can reasonably expect when they are engaged by DWP.

```
302 Q139
303 Q140
304 Leonard Cheshire (DEG0127), I have a voice CIC (DEG0139), Q157 [Mr Ainsworth & Mr Davies], Q191 [Ms Hale], Q194 [Ms Rawlings]
305 RNID (DEG0120)
306 National Autistic Society (DEG0121)
307 UNISON (DEG0124)
308 Social Security Advisory Committee, How DWP involves disabled people when developing or evaluating programmes that affect them, Occasional Paper 25, 6 January 2021
```

- Principles for accessibility, so that disabled people with different impairments can have an equal voice.
- What DWP means by co-production and co-design, incorporating steering arrangements that give disabled people an influential say.
- How DWP will engage with different sorts of organisations, ensuring that userled organisations, including small and local user-led organisations are actively and systematically engaged.
- A discipline for assessing whether DWP is hearing from a sufficiently wide variety of voices across the range of protected characteristics, and how it will proactively seek out people with particular experiences to remedy any gaps, for example people with experiences across the spectrum of different impairments, BAME disabled people with different heritages, homeless disabled people, disabled survivors of domestic violence - learning ways of doing it from best practice in government and in national health and social care organisations.
- A commitment that DWP will routinely provide feedback on the outcomes of engagement in terms of action taken, and engage disabled people in assessing whether changes have worked. 309

179. In evidence, we asked the Minister for Disabled People, Justin Tomlinson MP, and John Paul Marks, Director General for Work and Health Services at DWP, whether the Department had accepted SSAC's recommendation. The Minister told us that he was still "looking at" this issue. 310

180. It is encouraging to hear that the Department is beginning to take steps to rebuild its relationship with disabled people. But the Department still has a long way to go. Effective and meaningful engagement with disabled people, when developing policy proposals that will impact them, is one way the Department can rebuild trust with disabled people. We were therefore disappointed to hear that the Department had not accepted the Social Security Advisory Committee's (SSAC) recommendation that it should introduce a protocol for engaging with disabled people.

181. The evidence we heard suggests that the Department's engagement with disabled people on developing its National Strategy for Disabled People has been poor. We recommend that the Department immediately accept SSAC's proposal for a protocol for engaging with disabled people. In response to this report, the Department should set out a timeframe for when it will begin publishing information about its engagement with disabled people.

# Conclusions and recommendations

#### Introduction

1. It is regrettable that the publication of three key documents—the Green Paper, the National Strategy and the Government's response to the "Health is everyone's business" consultation—has been delayed significantly over the course of our inquiry. The Government's approach to the timing of their publication has severely limited Parliament's opportunities to scrutinise these important policy documents. In finalising this report, we have had only one working day to consider the two papers that have been published, and so we address them only briefly. We have had no sight at all of the National Strategy for Disabled People. We very much hope that the Government will set out in the Strategy a clear plan for reducing the disability employment gap over the next five years. We expect to scrutinise all three documents further in the months to come. (Paragraph 9)

## Measuring disability employment

- 2. There is broad support for the premise that the Government should have a target for improving disabled people's employment rates. Views about what that target should be, however, differ. Both absolute and relative targets have drawbacks. Although the overall number of disabled people in work has increased since 2013, this is largely because of factors such as overall improvements to the labour market, which have also affected non-disabled people, and an increase in the prevalence of disability. It does not appear to be as a result of substantial progress in addressing the specific barriers that disabled people face to finding and staying in work. A relative measure, on the other hand, provides a clearer picture of disabled people's experiences of the labour market compared to their non-disabled counterparts, but reducing the gap is not necessarily a sign that more disabled people are in work: it could be that the number of non-disabled people in work has decreased. To be meaningful and effective, the target needs to combine both absolute and relative elements, to benefit from the advantages of both and to mitigate their disadvantages. (Paragraph 22)
- 3. We recommend that the Government adopt a target with two elements: closing the disability employment gap and increasing the number of disabled people in work. It should re-adopt its previous target of halving the disability employment gap. Alongside this, it should adopt a new, more ambitious absolute target aimed at increasing the number of disabled people in work, as its current target is not sufficiently stretching. At today's employment levels, halving the disability employment gap would mean that around 1.2 million more disabled people need to be in work (assuming that the number of non-disabled people in work stays roughly the same). The Government should adopt this as its absolute target, which it should aim to achieve by 2027. We were disappointed to find that the Green Paper on health and disability support does not make any reference to a new target. The Government must use its National Strategy for Disabled People to set out its plans to adopt—and achieve—a more ambitious target instead. (Paragraph 23)

- 4. In isolation, however, even the measures underlying this target do not give a full picture of the Government's progress on disability employment or disabled people's experiences of work. Instead of relying on a single measure, the Government should collect data against a set of indicators. It should continue to monitor the absolute number of disabled people who are in employment and the rate at which disabled people leave or remain in work compared to their non-disabled counterparts. In addition, it should measure the difference in average pay between disabled and non-disabled workers and consider adopting further measures of disabled people's job quality. The Government should also consider adopting the Prevented from Working by Disability measure, which accounts for the prevalence of disability in the population, as an additional indicator against which it can measure progress. (Paragraph 24)
- 5. We welcome the fact that questions about autism have been added to the ONS Labour Force Survey, which will enable the Government to collect more detailed data about autistic people's experiences of work. The Government should commit to publishing this data as soon as possible. It should also set out how it will collect more data on other impairment groups. (Paragraph 30)
- 6. The ONS' Labour Force Survey (LFS) is currently unable to capture how people affected by the same broad symptom groups, such as energy limitation, are in employment. This is because the questions in the survey focus on medical diagnosis rather than symptoms. We recommend that DWP should work with the ONS to explore how it can use the LFS to collect employment data about people in groups who are affected by similar symptoms, even if they have different underlying diagnoses. This should include, but not be limited to, people affected by symptoms such energy limitation and stamina impairment, which can span a number of different medical conditions. (Paragraph 33)
- 7. Mandatory reporting, which would require employers to publish data about the number of disabled people they employ, could be a highly effective way of holding employers to account and driving forward progress on closing the disability employment gap. This data will only be accurate if employees feel comfortable disclosing their disability or health condition to their employer. Scrutiny of the published data is likely to act as an incentive to employers to create an environment in which people feel able to make those disclosures. We recommend that the Government should require larger employers (those with 250+ employees) to publish data on the proportion of their employees who are disabled. (Paragraph 38)
- 8. We are not yet persuaded, however, that requiring employers to report data on the "disability pay gap" is the right way forward. We share the Minister's concern that this data could risk giving a misleading impression of employers who have made genuine progress in recruiting more disabled people, but where those employees are in more junior positions. The disability pay gap, however, remains stark, and in its forthcoming National Strategy for Disabled People, the Government should set out ambitious and timed targets for how it intends to reduce it. (Paragraph 39)

### **Employment support**

9. There is evidence that localised support, which is often delivered by small, specialist providers, helps disabled people get into and stay in work. All too often, however,

disabled people are reliant on large, national programmes, or on discretionary, ad hoc support provided by Jobcentre Plus. Neither is ideal: large programmes have tended to perform badly for disabled people, and access to JCP support (for example, via the Flexible Support Fund) is, by design, not consistent. Current programmes aimed at supporting disabled people into work have not produced the desired improvements in the disability employment gap. It is time for DWP to take a new approach. We welcome the Department's recognition, in the recently published Green Paper, that local services and providers have an important part to play, and look forward to seeing how it develops its work in this area. (Paragraph 51)

- 10. DWP should reimagine fundamentally how it provides employment support to disabled people. We recommend that DWP should carry out a significant expansion of the number of Devolved Deal Areas, granting more powers to local authorities to set up their own localised version of the Work and Health Programme. Any devolution should be underpinned by a clear framework including benchmarks and minimum requirements that local authorities must use when commissioning support. (Paragraph 52)
- 11. The default position should be that groups of local authorities, perhaps based on the recently-defined NHS integrated care system boundaries, where they have the will and capacity to do so, are responsible for delivering employment support for disabled people. DWP should provide funding and support to enable them to do this. This approach will not work for everyone: some local authorities may not have the capacity to commission or deliver employment support services, so there will still be a role for national programmes such as the Work and Health Programme. For some areas, however, such as areas with a Metro Mayor, this approach could work well, as we have already seen with London and Manchester. Where they want to and can, local authorities should have the power to commission their own employment support programmes. They should work closely with the Department for Health and Social Care (or devolved administrations as appropriate), the NHS, the third sector, and education and training providers to achieve this. (Paragraph 53)
- 12. Locally-commissioned employment support will require close working between local government and a variety of partners, including the NHS. Integrated care systems (ICSs) have an important role to play in strengthening these partnerships. The Government's ambition is for every area in England to be covered by an ICS. ICSs already bring together providers and commissioners of NHS services with local authorities to plan and deliver health and care services. We recommend that the role of ICSs be expanded to include collaboration with local government on the commissioning and delivery of localised employment support to disabled people, with equivalent work by devolved administrations also being supported. (Paragraph 55)
- 13. The evidence we heard in favour of Individual Placement and Support (IPS) as a model of employment support is overwhelmingly positive. We welcome the fact that the Department has invested in trials of IPS. We urge the Department to bring forward publication of its analysis of data from these trials and to adopt IPS as a model for its employment support offer. We welcome the work that the joint Work and Health Unit has done so far on expanding the use of IPS, and DWP should continue to work with DHSC and NHS England on this. (Paragraph 61)

- 14. It is unacceptable that some disabled people still face barriers when trying to access services through Jobcentre Plus. It is particularly shocking that services provided by the Department for Work and Pensions, whose ministerial team includes the Minister for Disabled People and which is responsible for a significant proportion of the Government's work on disability, remain inaccessible to some disabled people. We welcome the fact that the Department is now consulting on what improvements it can make to its provision of reasonable adjustments and alternative formats, but it should act as a beacon of best practice on accessibility for the rest of government. To achieve this, it must ensure that both its premises and services are wholly accessible to disabled people. The Department should invest in and expand its provision of alternative formats for its communications with disabled people. It should ensure that BSL interpreters are provided at all meetings with Deaf clients who need one and that other accessible formats—such as large print, Braille and Easy Read—are readily available for people that need them. (Paragraph 67)
- 15. We heard that more needs to be done to improve the way a disabled person's communication preferences are recorded by Jobcentre Plus. DWP should take inspiration from the Accessible Information Standard model used in the NHS and create an automated process which can record a disabled person's preferred communication method and provide the correct support accordingly. (Paragraph 68)
- 16. We welcome the fact that the Department has increased the number of Disability Employment Advisers (DEAs) in Jobcentres. DEAs can provide specialist support to disabled people in a way that generalist Work Coaches do not, and the increase in numbers will go some way to addressing the fall in the number of DEAs during the pandemic. It is vital that all Jobcentre Plus staff, however, have a good understanding of disability, including specific conditions, and how best to support disabled people. DWP should keep the number of DEAs under review and commit to recruiting additional DEAs if demand rises. It should also ensure that any training that Jobcentre Plus staff receive on supporting disabled people is not just generic but covers the needs of specific impairment groups, including people with invisible disabilities. (Paragraph 73)
- 17. We welcome the fact that DWP already encourages providers of some of its disability support schemes to adopt job carving as part of their support to participants. The Department, however, should do more to support and encourage employers to adopt job carving practices when recruiting a person with a disability. As part of its National Strategy for Disabled People, DWP should provide detailed guidance to both providers and employers on how they can job carve roles for disabled people. It should also ensure that Jobcentre Plus engages with local employers to encourage them to carve out roles for disabled people. (Paragraph 78)

#### In-work support

18. We heard from disabled people and disability organisations that some employers simply don't understand their legal obligations to provide reasonable adjustments, whilst others continue to flout the law deliberately. The way in which disability is defined in the Equality Act has also left some employers and employees unclear about how its provisions apply. The Government has a clear role to play in ensuring

- that employers understand what their obligations are and that employees are aware of what protections are available to them.(Paragraph 87)
- 19. The introduction of an online information hub for employers is an initial step in the right direction. We urge the Government to ensure that its information and advice service goes live as planned no later than August 2021. DWP must ensure that this hub contains clear guidance for employers about their legal obligation to provide reasonable adjustments and about how to implement them. It should also provide guidance to employers about interpreting the definition of disability in the Equality Act, with a particular focus on how its provisions apply to people with mental health conditions. We were encouraged to hear that some employers have taken positive steps to support disabled employees but remain concerned that not all employers are taking their responsibilities seriously. The Government should also consider adopting more severe punitive measures, such as "naming and shaming", for employers who continue to breach the law. (Paragraph 88)
- Some disability organisations have spoken positively about the Access to Work scheme: when it works, it can be a vital source of support for disabled people in work. We have consistently heard, however, several reoccurring criticisms of the scheme from disability organisations and disabled people alike. We have heard that awareness of the scheme amongst disabled people and employers is low; that the scheme is poorly promoted; and that the application process is difficult, time consuming, and bureaucratic. The Minister acknowledged these problems and said that he was determined to address them. In its Green Paper, the Department recognised that the Access to Work application process can be burdensome. It also invited views on what more it can do to improve disabled people's employment opportunities through the scheme; it must use this as a basis for carrying out reform of Access to Work. To raise awareness of the scheme, which remains unacceptably low, the Department should launch a marketing campaign targeted at employers and at disabled people who are in, or applying for, work. The Department should also return to publishing statistics on Access to Work quarterly, in line with the publication of statistics on several other benefits that disabled people can claim, instead of annually. DWP should also redesign the application process to make it more streamlined and reduce the amount of information that applicants are expected to provide. It should ensure that disabled people are given the opportunity to co-design the new application process. The Department should also reduce the frequency of reviews, especially for people with long-term health conditions or stable employment, and ensure that people with an upcoming review are notified well in advance. (Paragraph 100)
- 21. The Minister also told us that that the application process for Access to Work, which is currently paper-based, will undergo a "digital transformation" this year. This is long overdue, and we look forward to seeing how this work progresses. The Department must ensure, however, that as the service goes digital, people with low digital literacy receive the support they need to access it. (Paragraph 101)
- 22. Support from Access to Work is only available for disabled people once they have been offered a job. This means that disabled people who are looking for work face uncertainty about whether they will receive the support they need, should they find a job, and that if they do, there is a period of waiting to find out what support they will receive. We heard that this delay and uncertainty can discourage employers

from hiring disabled candidates. (Paragraph 102)

- 23. The Minister said that the Department intends to pilot "passports" for jobseekers from particular groups, including students and veterans, which we welcome. These passports are intended to give job applicants certainty about what support they can receive through Access to Work before they have been offered a job. We recommend that, should the pilot be successful, DWP should extend eligibility for these passports to other groups of people. It should also introduce a passport for disabled employees who are currently receiving support under Access to Work so that, if they apply for a job with another employer, their prospective new employer has certainty about what support they are entitled to and they do not need to go through the application process again. This would help to reduce the unnecessary bureaucracy applicants face. (Paragraph 103)
- 24. Our predecessor Committee recommended that the Department should improve the effectiveness of the Access to Work central call centre system. In response, the Department said that it recognised the importance of taking action to correct the issues with the system. We have heard, however, that problems accessing support through the central call centre still persist. We reiterate our predecessor Committee's recommendation that the Department should immediately take action to rectify the problems with the call centre system. (Paragraph 104)
- 25. To assess whether Disability Confident is meeting its objectives of increasing disability employment and changing employers' attitudes and recruitment practices, our predecessor Committee recommended that DWP should commission an evaluation of Disability Confident by 2020. DWP accepted the recommendation and in July 2018 said that it was developing proposals for an evaluation. The evaluation, however, is yet to be announced. *In response to this report, the Department should urgently announce its plans to carry out a comprehensive evaluation of the Disability Confident scheme, and commit to a specific timetable for this evaluation.* (Paragraph 115)
- 26. By the Department's own admission, it is not possible to know whether Disability Confident is having any meaningful beneficial impact on the employment prospects of disabled people. As part of its evaluation, the Department should explore ways in which it can measure the success of the Disability Confident scheme. This should include, but not be limited to, a mandatory requirement for employers at levels 2 and 3 to routinely publish the percentage of disabled individuals working in their organisations through the Government's Voluntary Reporting Framework. Employers should also be required to notify the Government when they have signed up to the framework. (Paragraph 116)
- 27. As part of its evaluation, to improve the effectiveness of the scheme, we recommend that the Department should establish an independent body to carry out objective external assessments of Disability Confident employers at levels 2 and 3 to monitor whether they are fulfilling their obligations. The Department should consider what action it could take against employers that are failing to meet their Disability Confident requirements. (Paragraph 117)
- 28. We heard evidence that the Disability Confident Commitments (the criteria an employer must agree to in order to receive Level 1 accreditation) are not challenging

enough for employers and focus too heavily on changing recruitment processes rather than committing employers to recruit and retain disabled employees. We also heard that employers can be awarded Disability Confident accreditation without having to recruit a single disabled person. As part of its evaluation, we recommend that the Department should consider whether the existing Disability Confident commitments, and the criteria at subsequent levels, is sufficiently challenging and encourages meaningful change from employers. We recommend that any new commitments should include a requirement for Disability Confident employers to recruit disabled people before being awarded a higher level of accreditation. (Paragraph 118)

- 29. We welcome the publication of the Government's response to the Health is everyone's business consultation, which closed in 2019. We look forward to scrutinising the Government's proposals in greater detail, particularly on improving access to occupational health for people in smaller businesses, which may not have dedicated HR functions. We recommend that the Government set out, in response to this report, more detail about its plans to test and evaluate the impact of a subsidy for SMEs and the self-employed, including its planned timetable. (Paragraph 124)
- 30. It is disappointing that the Government has decided not to progress with plans for reforming Statutory Sick Pay (SSP). The Government acknowledges that there is clear support for SSP reform. The pandemic has highlighted some of the key weaknesses in the SSP system: notably, SSP is not available to two million of the lowest paid workers, and people in precarious forms of work may be excluded from support. The Government has taken steps to support low paid workers affected by coronavirus—but these payments will be phased out, and they do not negate the need for long-term reform of the SSP system, which the Government clearly recognised at the outset of the consultation in 2019. We recommend that in response to this report the Department set out in greater detail its plans for reforming SSP in future, including expected timescales. (Paragraph 125)

## Impact of the coronavirus pandemic

31. The pandemic has led to a sharp increase in the number of people working remotely. It is clear from the evidence we heard that while remote working has created new access barriers for some disabled people, for many others it has aided their participation in the labour market. The evidence we heard suggests that the majority of disabled people want to continue working remotely after the pandemic. The Government should support their right to do so. The Government should work with employers to ensure that disabled people are supported to work in an environment that suits them best: whether this is from home or at their place of work. To that end, the Government should amend current legislation and give workers the statutory right to request remote or flexible working from of the beginning of their employment. In some industries or some roles it may not currently be feasible for workers to carry out their roles remotely. As with the existing right to request flexible working for employees with at least 26 weeks' service, employers should follow Acas' Code of Practice on dealing with flexible working requests in a reasonable manner, which should involve weighing the benefits of any changes against any adverse impact on the business. It should also work with employers to ensure that their places of work are inclusive and accessible for all, so that disabled people who do not want to work from home are well supported. (Paragraph 142)

- 32. There is no clear evidence which explains why disabled people have a considerably raised risk of death from coronavirus. There is a need for further research to investigate the extent to which disabled people's experiences in the workplace may play a part in this. We recommend that DWP work with HSE to commission research to better understand whether there is a link between occupational settings and the raised risk of death from coronavirus for disabled people. (Paragraph 146)
- 33. DWP must ensure that the Kickstart and Restart schemes are accessible to disabled people. Before September 2017, the Work Programme reported quarterly on job outcomes for disabled people: the Department should be able to do as good a job with Restart and Kickstart. Publishing an evaluation of how well the schemes have worked for disabled people only after they have ended is not good enough. In our report on DWP's preparations for changes in the world of work, we recommended that the Department should immediately improve how it collects data about claimants' characteristics in the Universal Credit system so that it can monitor, in real-time, how well the Kickstart and Restart schemes are working for particular groups, including disabled people. We reiterate that recommendation now. (Paragraph 154)
- 34. DWP must demonstrate that lessons have been learnt from previous schemes and ensure that the payment model used in Restart does not disincentivise providers from supporting those who are furthest away from the labour market, including some disabled people. Although Restart will not be a specialist disability programme, some disabled people will undoubtedly seek support from the scheme. An evaluation of Work Choice, carried out on behalf of DWP, highlighted the importance of paying providers service fees for provision aimed at disabled people. The Department should incorporate a service fee element into its payment model for Restart to ensure that providers are incentivised to support disabled people, and other cohorts, that may be furthest away from accessing the labour market. (Paragraph 158)

## The disability benefits system

- 35. The Work Capability Assessment (WCA) is not fit for purpose. The fact that a majority of appeals against fit for work decisions are successful is evidence that it is not achieving its aim of supporting disabled people who can and want to work into employment. The assessment process can also create anxiety and distress for claimants, pushing them further away from the labour market in the process. We welcome the Minister's admission that the system is flawed and needs to change, and we plan to look at this issue in more detail in a separate inquiry. We welcome the fact that the Department has now published its Green Paper on health and disability support. It says that it will consider how to address some of the existing problems with the disability benefits system, including whether it can achieve this within the current structure or whether "wider change" is needed. DWP should use this as a starting point to carry out wholesale reform of the WCA. (Paragraph 168)
- 36. Sanctions can have a negative impact not only on disabled people's employment prospects, but on their overall wellbeing. The Minister told us that the conditionality regime forms part of a "menu of support" and that sanctions are only used as a last resort, but even he acknowledged that it is in "no one's interest" for a sanction to be

applied. We welcome the fact that DWP has very recently adopted a new approach to conditionality, with a focus on voluntary engagement, for some disability benefit claimants. But this change is long overdue. In response to this report, DWP should set out the evidence in support of its new approach, what involvement disabled people had in developing it, and what plans it has to evaluate it. It should also provide its most recent evidence on the impact of sanctions on disabled claimants, including on their mortality, as well as any lessons it has learned from the suspension of the conditionality regime during the coronavirus pandemic. It should also set out in response to this report the action it has taken in response to our predecessor Committees' reports from 2015 and 2018 on benefit sanctions and their impact on disabled people and people with health conditions, including their recommendations that some groups should be exempt from sanctions and that DWP should explore options for non-financial sanctions and that it explore options for a warning to be issued for a first sanctionable failure. In particular, it should explain what it has done to engage claimants in provision and conditionality, as it undertook to do in 2018. It should commit to reducing the number of disability benefit claimants who are subject to conditionality and decrease the value of sanctions. The Department should only impose sanctions when all other avenues have been exhausted. (Paragraph 175)

- 37. It is encouraging to hear that the Department is beginning to take steps to rebuild its relationship with disabled people. But the Department still has a long way to go. Effective and meaningful engagement with disabled people, when developing policy proposals that will impact them, is one way the Department can rebuild trust with disabled people. We were therefore disappointed to hear that the Department had not accepted the Social Security Advisory Committee's (SSAC) recommendation that it should introduce a protocol for engaging with disabled people. (Paragraph 180)
- 38. The evidence we heard suggests that the Department's engagement with disabled people on developing its National Strategy for Disabled People has been poor. We recommend that the Department immediately accept SSAC's proposal for a protocol for engaging with disabled people. In response to this report, the Department should set out a timeframe for when it will begin publishing information about its engagement with disabled people. (Paragraph 181)

# Formal minutes

## Thursday 22 July 2021

Members present:

Rt Hon Stephen Timms, in the Chair

Debbie Abrahams Dr Ben Spencer Steve McCabe Chris Stephens Nigel Mills Sir Desmond Swayne Selaine Saxby

Draft Report (*Disability employment gap*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 181 read and agreed to.

Summary agreed to.

*Resolved*, That the Report be the Second Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Wednesday 8 September at 9.15 am.

# Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the <u>inquiry publications</u> <u>page</u> of the Committee's website.

# Wednesday 20 January 2021

Wednesday 20 January 2021	
Dame Carol Black	<u>Q1–26</u>
<b>Joshua Reddaway</b> , Director, Work and Pensions, Value for Money, National Audit Office	<u>Q27–47</u>
Wednesday 24 February 2021	
James Taylor, Executive Director of Strategy, Impact and Social Change, Scope; Fazilet Hadi, Head of Policy, Disability Rights UK; Gemma Hope, Director of Policy, Leonard Cheshire	Q48-70
Professor Melanie Jones, Professor of Economics, Cardiff Business School; Dr Mark Bryan, Reader in Economics, University of Sheffield; Ben Baumberg Geiger, Senior Lecturer in Sociology and Social Policy, University of Kent; Tom Pollard, Independent Policy Expert	<u>Q71–85</u>
Wednesday 10 March 2021	
<b>David Stephenson</b> , Senior Policy and Campaigns Officer, Mind; <b>Alex Kennedy</b> , Head of Campaigns and Public Affairs, Rethink Mental Illness; <b>Dr Jed Boardman</b> , Consultant Psychiatrist/Senior Lecturer in Social Psychiatry Senior Policy Advisor, Centre for Mental Health	Q86-105
Matthew Harrison, Public Affairs and Parliamentary Manager, Mencap; Jane Harris, Director of External Affairs and Social Change, National Autistic Society; Lorenzo Torre, Job Coach, Three Cs	Q106-131
Wednesday 24 March 2021	
The Lord Shinkwin, Chair, The Centre for Social Justice Disability Commission; Angela Matthews, Head of Policy and Research, Business Disability Forum; Matthew Oakley, Director, WPI Economics	Q132-143
<b>Matthew Ainsworth</b> , Assistant Director of Education, Skills & Work, Greater Manchester Combined Authority; Clare Gray, Organisational Lead for Disability Advocacy, Shaw Trust; <b>Huw Davies</b> , Chief Executive, British Association for Supported Employment	<u>Q144–157</u>
Wednesday 28 April 2021	
<b>Rob Geaney</b> , Head of Campaigns and Public Affairs, Royal National Institute for Deaf People; <b>Martin Sigsworth</b> , Senior Employment Manager, Pocklington Trust; <b>Daniel Jennings</b> , Senior Policy and Campaigns Officer, Epilepsy Action	Q158–179
Sarah Rawlings, Executive Director of Research, MS Society; Catherine Hale, Founder and Director, Chronic Illness Inclusion Project; Professor Karen Walker-Bone, Director, National Centre for Musculoskeletal Health and Work, Versus Arthritis	Q180-201

# Wednesday 19 May 2021

Justin Tomlinson MP, Minister of State (Minister for Disabled People, Health and Work), Department for Work and Pensions; Angus Gray, Director Employers, Health and Inclusive Employment, Department for Work and Pensions; John Paul Marks, Director General for Work and Health Services, Department for Work and Pensions

Q202-281

# Published written evidence

The following written evidence was received and can be viewed on the <u>inquiry publications</u> page of the Committee's website.

DEG numbers are generated by the evidence processing system and so may not be complete.

- 1 Anonymous (DEG0093)
- 2 Anonymous (DEG0090)
- 3 Anonymous (DEG0088)
- 4 Anonymous (DEG0082)
- 5 Anonymous (DEG0081)
- 6 Anonymous (DEG0068)
- 7 Anonymous (DEG0054)
- 8 Anonymous (DEG0051)
- 9 Anonymous (DEG0050)
- 10 Anonymous (DEG0049)
- 11 Anonymous (DEG0048)
- 12 Anonymous (DEG0046)
- 13 Anonymous (DEG0045)
- 14 Anonymous (DEG0044)
- 15 Anonymous (DEG0041)
- 16 Anonymous (DEG0040)
- 17 Anonymous (DEG0037)
- 18 Anonymous (DEG0036)
- 19 Anonymous (DEG0035)
- 20 Anonymous (DEG0033)
- 21 Anonymous (DEG0034)
- 22 Anonymous (DEG0032)
- 23 Anonymous (DEG0031)
- 24 Anonymous (DEG0029)
- 25 Anonymous (DEG0027)
- 26 Anonymous (DEG0013)
- 27 Association of Disabled Professionals (DEG0136)
- 28 Azure Charitable Enterprises (DEG0191)
- 29 Barker, Maire-Claire (DEG0039)
- 30 Beckett, Victoria (DEG0009)
- 31 Bright Blue (DEG0122)
- 32 British Association for Supported Employment (DEG0065)
- 33 Brunel University London (DEG0098)

- 34 Burley; Marshall; Hirschhorn; Booth; and Williams (DEG0066)
- 35 Business Disability Forum (DEG0163)
- 36 CIPD (DEG0135)
- 37 Carbine, Carol (DEG0115)
- 38 Chew, Jonathan (DEG0079)
- 39 Chronic Illness Inclusion Project (DEG0151)
- 40 Cox, Amanda (DEG0018)
- 41 Davies, Glynn (DEG0086)
- 42 Department for Work and Pensions (DEG0171)
- 43 Disability Rights UK (DEG0097)
- 44 Donaldson, Jurgen (Jurgen Donaldson) (DEG0004)
- 45 Down's Syndrome Association (DEG0125)
- 46 Employment Lawyers Association (DEG0157)
- 47 Epilepsy Action (DEG0193)
- 48 Epilepsy Action (DEG0110)
- 49 Equality and Human Rights Commission (DEG0182)
- 50 Farrington, Louise (DEG0028)
- 51 Fenney, Peter (DEG0141)
- 52 Fuller, Mr Brandon (Unemployed Graduate, MadSlug) (DEG0015)
- 53 Glasgow Disability Alliance (DEG0006)
- 54 Good Things Foundation (DEG0159)
- 55 Homeless Link (DEG0149)
- Hoque, Prof Kim (Professor of Human Resource Management, Warwick Business School); and Prof Nick Bacon (Professor of Human Resource Management, City, University of London) (DEG0104)
- 57 Howard, Simon (DEG0168)
- 58 I have a voice CIC (DEG0139)
- 59 Inclusion London (DEG0129)
- Jones, Professor Melanie (Professor, Cardiff Business School); and Professor Victoria Wass (Emeritus Professor, Cardiff Business School) (DEG0188)
- Jones, Professor Melanie (Professor, Cardiff Business School); and Professor Victoria Wass (Emeritus Professor, Cardiff Business School) (<a href="DEG0002">DEG0002</a>)
- 62 Karatas, Toga (DEG0011)
- 63 Law Society of Scotland (DEG0154)
- 64 Leeds Autism AIM (DEG0145)
- 65 Leonard Cheshire (DEG0127)
- 66 Lewis, Manon (DEG0192)
- 67 Long, Sarah (DEG0138)
- 68 MS Society (DEG0150)

- 98 The Open University (DEG0008)
- 99 UK Women's Budget Group (DEG0096)
- 100 UNISON (DEG0124)
- 101 Unity Works (DEG0001)
- 102 Versus Arthritis (DEG0179)

- 103 Vincent, Lewis (DEG0017)
- 104 Vision Impairment Centre for Teaching and Research, University of Birmingham (DEG0126)
- 105 Vocational Rehabilitation Association (DEG0111)
- 106 Volition, Forum Central; and Volition, Forum Central (DEG0133)
- 107 Warren, Jane (DEG0108)
- 108 Webb, Sarah (DEG0169)
- 109 White, Colin (DEG0153)
- 110 Withheld (DEG0042)
- 111 Withheld (DEG0014)
- 112 Withheld (DEG0095)
- 113 Withheld (DEG0047)
- 114 Withheld (DEG0023)
- 115 Withheld (DEG0007)
- 116 Withheld (DEG0190)
- 117 Withheld (DEG0131)
- 118 Withheld (DEG0118)
- 119 Withheld (DEG0060)
- 120 Withheld (DEG0158)
- 121 Withheld (DEG0059)
- 122 Withheld (DEG0166)
- 123 Work and Pensions Select Committee (DEG0194)

# List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the <u>publications page</u> of the Committee's website.

#### **Session 2021–22**

Number	Title	Reference
1st	DWP's preparations for changes in the world of work	HC 216

### Session 2019-21

Number	Title	Reference
1st	DWP's response to the coronavirus outbreak	HC 178
2nd	The appointment of Dr Stephen Brien as the Chair of the Social Security Advisory Committee	HC 733
3rd	Universal Credit: the wait for a first payment	HC 204
4th	The temporary increase in Universal Credit and Working Tax Credit	HC 1193
5th	Protecting pension savers—five years on from the pension freedoms: Pension scams	HC 648
6th	The appointment of Sarah Smart as Chair of the Pensions Regulator	HC 1358