

# Introduction and Context for Reform

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This chapter introduces the employment support currently provided by the Department for Work and Pensions to disabled people and outlines the context in which the reforms proposed in this public consultation are set.

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## Context

1. The Department for Work and Pensions (DWP) directly serves many millions of disabled people and carers of disabled people each year through its range of welfare provision – including such support as Disability Living Allowance, Carer’s Allowance, Incapacity Benefit payments and a range of employment programmes .
2. Since 1997 over 200,000 disabled people from different backgrounds and on a range of benefits have been helped into employment by DWP’s other employment services, such as the New Deal for Young People and the New Deal for Lone Parents. This is a significant achievement and one that we will continue to build upon, for example, through developing a more flexible New Deal to improve the ability of our services to help disabled people into work.
3. We have also created a range of successful provision to help people on incapacity and related benefits into employment, such as the New Deal for Disabled People and Pathways to Work. For example, the New Deal for Disabled People has helped over 150,000 people to take up work since it was created in 2001.
4. In addition we have a range of specialist disability employment provision that is designed to help people with higher support needs or who, for example, need longer-term support whilst they are in work.
5. These specialist disability employment services are delivered through Jobcentre Plus and service providers from the public, private and voluntary sectors. They already enable many thousands of disabled people to lead fulfilling working lives – people who may otherwise be excluded from the workplace. This consultation is primarily concerned with this important area of specialist support.
6. The consultation covers proposed reforms to four national specialist disability employment programmes – the Job Introduction Scheme, WORKSTEP, Work Preparation and Access to Work – and the way that Disability Employment Advisers in Jobcentre Plus work in relation to these programmes. A brief outline of this support is provided in Box 1: Outline of programmes covered in this consultation, below, and in Annex C, part A.

## **Box 1: Outline of programmes covered in this consultation**

### **Job Introduction Scheme**

The Job Introduction Scheme can pay a wage subsidy of £75 per week to an employer for up to thirteen weeks when they employ a disabled person.

### **Work Preparation**

Work Preparation helps disabled people to address employment-related issues associated with their disability and prepare to enter work. This might include confidence-building, identification of suitable types of work and work experience.

### **WORKSTEP**

WORKSTEP provides support for disabled people who face complex issues in finding and/or keeping a paid job, but who, with the right support for them and their employer (such as mentoring or job coaching) can develop a successful career. The programme also aims to help participants and their employers progress to a stage where WORKSTEP support can be reduced/withdrawn over time.

### **Access to Work**

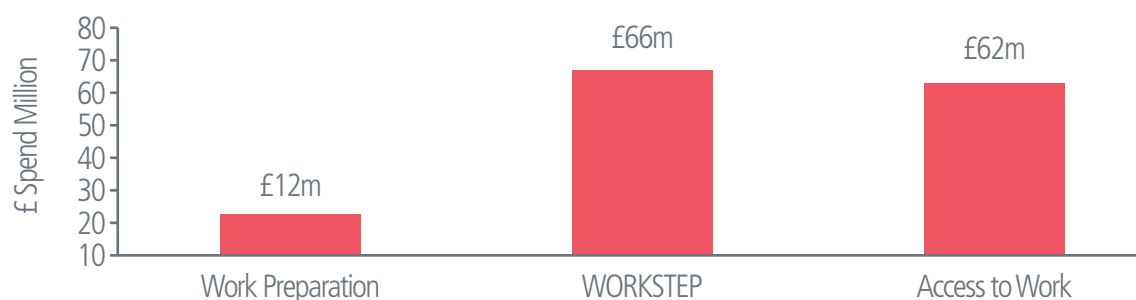
Access to Work can fund work-based support or adaptations to enable disabled people to start and/or retain paid employment.

### **Disability Employment Advisers**

Disability Employment Advisers are based in Jobcentre Plus offices and have specialist knowledge and experience of the issues some disabled people face in trying to find and/or keep a job. They provide a range of services, including in-depth job seeking advice, referrals to job support, and advice to employers.

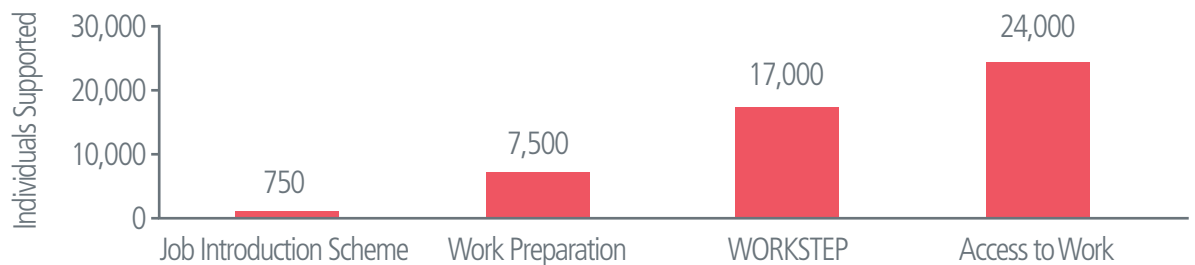
7. Over the course of the 2006/07 financial year DWP's budget was around £140m in total for the Job Introduction Scheme (approximately half a million pounds spend), Work Preparation, WORKSTEP and Access to Work. (See Figure 1: Programme Budgets 2006/07.)

Figure 1: Programme Budgets 2006/07



8. We have significantly improved the resources available to our employment services over recent years, with the launch and expansion of programmes such as the New Deal for Disabled People and Pathways to Work. Access to Work funding, for example, increased from £15m in 1997/98 to a planned £66m next year.
9. In our current Spending Review we will not have significant additional resources to invest. However, we have built an evidence-base that clearly highlights the scope for improving our current services within these resource constraints (see Chapter Two). We therefore believe reforms are essential if we are to improve employment outcomes for disabled people.
10. During 2006 these programmes supported thousands of people to move towards employment and/or retain a job that they would otherwise be at risk of losing because of their disability. (See Figure 2: Individuals Supported 2006/07.)

Figure 2: Individuals Supported 2006/07

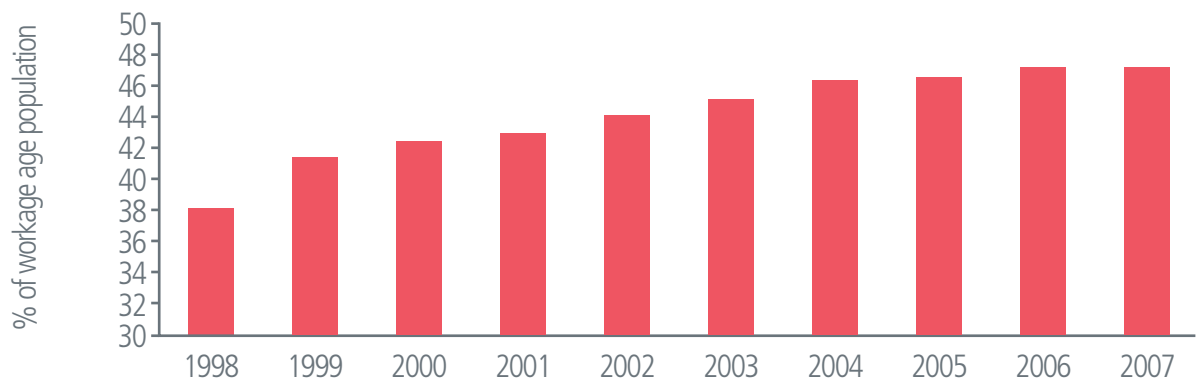


\*All figures are approximate.

Jobcentre Plus do not collect hard data on the Job Introduction Scheme, the figures are estimated from a total annual expenditure and an assumption of nine weeks average duration. For Access to Work, support was directly provided to approximately 24,000 individuals within 2006/07, however we estimate a further 16,000 people are continuing to directly benefit from support provided in the previous two years under the Special Aids and Equipment element.

11. The overall employment rate for disabled people has improved significantly over the past decade – from just 38% in 1998 to around 47% today (see Figure 3: Percentage of Working Age Disabled People in Employment). This improvement is partly due to DWP’s employment programmes and wider factors such as the Disability Discrimination Act, changing attitudes in society and the strong foundation for economic growth that we have created.

Figure 3: Percentage of Working Age Disabled People in Employment



**“Future Government policy should be designed to ensure that in twenty years time any disabled person who wants a job and needs support to get and keep a job anywhere in the country should, wherever possible, be able to do so. Any employer wanting to employ a disabled person should be able to find the right person and the right support.”**

12. This progress has closed the gap between the employment rates for disabled people and the overall working age employment rate (which currently stands at 74%). However, we still have a long way to go before disabled people could be considered to have true equality in the labour market and we know that some groups continue to be particularly disadvantaged. For example, it is estimated that for people with a learning disability or mental health condition, fewer than one in five are in employment.

13. We therefore clearly need to do more if we are to meet the vision set out in the Prime Minister’s Strategy Unit Report (January 2005), ‘Improving the Life Chances of Disabled People’, that:

“Future Government policy should be designed to ensure that in twenty years time any disabled person who wants a job and needs support to get and keep a job anywhere in the country should, wherever possible, be able to do so. Any employer wanting to employ a disabled person should be able to find the right person and the right support.”<sup>2</sup>

14. To achieve this vision the Government has taken action/is acting in a number of areas, including:

- reforming the welfare system;
- developing stronger disability rights;
- health, work and wellbeing;
- working more closely with employers;
- personalising services;
- working across organisations to achieve common goals; and
- Public Service Agreements.

15. Each of these areas is discussed under the headings overleaf.

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<sup>2</sup> Prime Minister’s Strategy Unit ‘Improving the Life Chances of Disabled People’, Cabinet Office January 2005

## Reforming the welfare system

16. Since 1997, the Government has embarked on a series of radical reforms to the welfare state designed to improve the opportunities, incentives and support available to help people into work. This includes ongoing reforms to incapacity benefits; the national introduction of Pathways to Work and a new Employment and Support Allowance replacing incapacity benefits for new customers from 2008.
17. Building on the measures in this year's Welfare Reform Act, the recently published Green Papers 'In work, better off: Next steps to full employment' (July 2007) and 'World Class Skills: Implementing the Leitch Review of Skills in England' (July 2007) the Government is delivering a step change in the employment and skills support available to those who are most disadvantaged in the labour market. We want to ensure that people with health conditions and impairments are never again written off.

## Developing stronger disability rights

18. The Government has transformed civil rights for disabled people and is committed to transforming the life chances of disabled people.
19. As part of this drive the Government created the Office for Disability Issues to work to bring government departments together to ensure a joined up and strategic approach to disability-related issues. The Government has also recently launched the advisory body 'Equality 2025: the United Kingdom Advisory Network on Disability Equality'. 'Equality 2025' provides disabled people with a voice on policy right at the heart of Government.
20. Further, the Disability Equality Duty (DED) was introduced in December 2006 and the Government is working towards ratification of a new United Nations convention which will, for the first time, set out human rights standards for disabled people. The DED aims to bring about changes in the way our society views and treats disabled people. The DED ensures all public bodies, such as central or local government, schools, health trusts and emergency services, pay 'due regard' to the promotion of equality for disabled people in every area of their work.

**“Some employers have misconceptions about the difficulties of employing disabled people. Research in 2004 suggested that one-third of employers considered employing a disabled person is a major risk.”**

### **Health, work and wellbeing**

21. The strategy document ‘Health, Work and Well-being – Caring for our Future’ was published in October 2005 by DWP, the Department of Health (DH) and the Health and Safety Executive (HSE).
22. In partnership with employers, employees, GPs and other health professionals a range of initiatives is being developed to improve knowledge and understanding, change perceptions and improve workplace health. We feel it is essential that positive links between work and health are understood and maintained.

### **Working more closely with employers**

23. The House of Commons Committee of Public Accounts (January 2007) reported<sup>3</sup>:

“Some employers have misconceptions about the difficulties of employing disabled people. Research in 2004 suggested that one-third of employers considered employing a disabled person is a major risk.”

24. These misconceptions can result in:

- too much focus on a person’s disability – too often this means that employers base their recruiting decisions on their perception of the disability rather than making an informed decision on the abilities of the individual;
- unhelpful restrictions often under the guise of equality, health and safety issues or pre-conceived perceptions about disabled people; and
- rigid recruitment systems that can prevent some disabled people from adequately presenting their skills and abilities.

25. Many employers have taken positive steps towards the employment of disabled people. However, many do need to be encouraged to develop recruitment policies that focus on an individual’s capabilities and potential rather than their disability.

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<sup>3</sup> House of Commons, Committee of Public Accounts ‘Gaining and retaining a job: the Department for Work and Pensions’ support for disabled people’, January 2007.

26. DWP is therefore working with disabled people and employer organisations to build an employer-led campaign with the purpose of increasing job opportunities for disabled people. This involves:
- working with the National Employment Panel, Jobcentre Plus and other key partners to deliver a demand-led 'Able to Work' pilot to test how we can better engage employers at a local level;
  - engaging with other organisations including the Employers' Forum on Disability, the Disability Employment Advisory Committee (DEAC), other disability organisations and involving large private sector, public sector, small, medium and voluntary sector employers; and
  - delivering communications to encourage positive employer attitudes.
27. All these initiatives are building on the work that Jobcentre Plus and our service providers are doing to identify job opportunities and to help disabled people find and retain employment, in particular through Local Employment Partnerships. We are signing partnerships with employers, tailored to their individual needs. These partnerships will give employers the access to people who are eager to work and have the skills that they need.

### **Personalising services**

28. A key focus of our Welfare Reform approach is the desire to offer more flexible and personalised support that more directly meets the employment needs of each individual. This focus is reinforced by the approach taken in this consultation document.

## Working across organisations to achieve common goals

29. We know that difficulties can arise when individuals try to access services from a range of public sector organisations. For example, on each occasion the individual may need to be re-assessed to identify their needs and delays can arise while each organisation's procedures are followed. 'Improving the Life Chances of Disabled People'<sup>4</sup> sets out some significant cross-government themes for improving services, these include:

- independent living through initiatives such as Individual Budgets;
- improved support for families with young disabled children;
- eliminating service gaps and facilitating the transition between childhood and adulthood;
- improved support and incentives for getting and staying in employment; and
- providing a more strategic focus on disability issues within government.

30. In response, we are working with other public, private and voluntary sector organisations, including the devolved administrations to implement service improvements. Our aims are to:

- more effectively link the employment-focused services that are delivered by different organisations;
- help disabled people more easily access the right range of services regardless of which public sector organisation funds the service; and
- ensure that there are fewer obstacles and delays to disabled people gaining access to the right range of employment-focused services.

31. As part of your response to the consultation we would value your opinion on how the services covered by this consultation could provide a better fit with other locally delivered services and local partnership arrangements.

32. The following two examples on the Individual Budget pilots (Box 2) and learning disability initiatives (Box 3) are just two of a range of areas that we are currently working on with other organisations and government departments to improve the delivery of services to disabled people. See Box 2: Individual Budget pilots and Box 3: Improving the employment opportunities for people with learning disabilities.

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<sup>4</sup> The Prime Minister's Strategy Unit, 2005.



## **Box 2: Individual Budget Pilots**

- In England, the Individual Budget pilots are a Department of Health led initiative to support the Government's commitment to give disabled people needing social care and associated services more choice and control over care services that they need.
- Thirteen English local authorities are currently piloting the approach. Department of Health are leading on the Individual Budget project and working jointly with DWP, Office for Disability Issues, and the Department for Communities and Local Government to take this work forward.
- We are striving to give a greater profile to employment options for the customers in the pilots. This approach reinforces our belief, for those who can, that paid employment is the best way to prevent poverty, promote social inclusion and support families.
- An evaluation of the pilots is due to be completed by April 2008 to inform a decision on whether to roll out Individual Budgets to other locations.

### **Box 3: Improving the employment opportunities for people with learning disabilities**

- Employment levels for people with learning disabilities have increased slightly over the last decade, but remain disappointingly low. Indeed, different surveys give figures of between just 5% and 17% of people with learning disabilities being in work.
- In respect of this, DWP are jointly funding a project with the Government's Valuing People Support Team. This Newham-based project aims to improve support for people wishing to move out of day services into paid work, or for those choosing paid employment over day services at the time of transition from children's services.
- Importantly this project is looking to maximise the opportunities that are available across a wide-range of organisations rather than just focusing on one particular service delivered by one government department.
- Other partners include Jobcentre Plus, the Learning and Skills Council, Newham Social Services, Care Services Improvement Partnership, the Learning Disabilities Partnership and local employers.
- A report of the project's findings is planned for publication in Autumn 2008. We expect that the findings will be of benefit to practitioners and policy-makers interested in this area across Great Britain – even where services have different delivery structures, such as in Scotland.
- Earlier this year, the former Department for Education and Skills, Department of Health and DWP published a joint strategy paper called 'Progression through Partnership' on working together to help people with learning disabilities lead more integrated and fulfilling lives.
- Crucially, whilst these initiatives are focused on people with learning disabilities we believe that the lessons learnt will be applicable across a wide-range of disabilities, particularly where employment levels are low – such as for people with sensory impairments or mental health conditions.

## Public Service Agreements

33. The proposals in this consultation have been developed as part of a government-wide commitment to build services around the needs of citizens and businesses and will also contribute to the achievement of recently published Public Service Agreements published by HM Treasury. These Agreements set out explicit aims, objectives and targets for relevant government departments to achieve, in return for funding provided as part of the Comprehensive Spending Review 2007.
34. The proposals in this public consultation would particularly contribute to the achievement of the Government's Public Service Agreements 8, 15 and 16 *'fairness and opportunity for all'* by:
  - helping to maximise employment opportunity for all – towards the long-term aspiration of an employment rate equivalent to 80% of the working age population (PSA8);
  - addressing the disadvantage that individuals experience because of their disability (PSA15); and
  - supporting adults who are at risk of social exclusion, particularly those with mental health and learning difficulties and/or disabilities (PSA16).
35. More detailed information on Public Service Agreements can be found on the HM Treasury website – [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)