

Improving lives:

The Work, Health and Disability Green Paper

January 2017

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Introduction

1. The Secretary of State for Work and Pensions and the Secretary of State for Health presented to Parliament a Green Paper that aims to transform employment and health outcomes for people in the UK with disabilities and long-term health conditions. They set the ambition in their foreword which states:

‘...we are not yet a country where all disabled people and people with health conditions are given the opportunity to reach their potential. That’s why we are committed to halving the disability employment gap and share this commitment with many others in society.

We are bold in our ambition and we must also be bold in action. We must highlight, confront and challenge the attitudes, prejudices and misunderstandings that, after many years, have become engrained in many of the policies and minds of employers, within the welfare state, across the health service and in wider society. Change will come, not by tinkering at the margins, but through real, innovative action. This Green Paper marks the start of that action and a far-reaching national debate, asking: ‘What will it take to transform the employment prospects of disabled people and people with long-term health conditions?’¹

2. At Business Disability Forum (BDF) we welcome the Government’s recognition that a wholesale change in attitudes and action is needed to overcome the barriers that are unnecessarily and unfairly faced by so many people with disabilities and health conditions in the UK labour market and in society generally. It’s brilliant the Government committed to reducing by half the disability employment gap in the Conservative Party manifesto and we were delighted to see the Chancellor re-affirm this commitment in the 2015 Autumn Statement.
3. With generous thanks to BDF Partner EY, we hosted a roundtable with representatives of employers, employability services, PurpleSpace (the network of networks for employees with disabilities, employee network leaders and allies) and national disability organisations to assess where we may agree on key questions about what makes it easier for employers to recruit and retain more people with disabilities and health conditions.
4. The following summarises key findings from the roundtable - and it was extraordinary how much we could all agree together - and we are sharing these findings to help inform colleagues as they prepare their submissions on the Green Paper, due by 17 February 2017. To make submissions, please go to <https://consultations.dh.gov.uk/workandhealth/consult/>

¹ See page 3 (October 2016).

Where are we on halving the disability employment gap?

5. The All Party Parliamentary Group on Disability (APPG) reported, ‘the UK Government was elected on a manifesto commitment to halve the disability employment gap...The gap is 32% points in 2016 so the target is to hit 16% points in 2020. This requires moving 1,074,000 (a third more) disabled people into employment and raising their employment rate from 48% to 64%².
6. The APPG goes on to note that the gap has narrowed by 1.3 percentage points in the four years since 2013. If that rate of gap narrowing was maintained and all else remains equal, the APPG reports that it will take until 2065 to narrow the gap to its target of 16 percentage points.

A. Overall

7. We all welcome the Government commitment to closing the disability employment gap. Clearly, a **substantially different, appropriately evidence based** approach is necessary to make that step-change improvement in the recruitment and retention of disabled people. The Green Paper offers ideas about how the gap might be closed.
8. **At this stage, we cannot identify how Government aspirations and ideas set out in the Green Paper could translate into halving the disability employment gap.** This reflects different issues. These include:
 - a. **There are major influencers on the Government aspirations that are not meaningfully integrated into the Green Paper.** These include for example leveraging the investments into improving skills (and which is in the process of being devolved) and through the apprenticeship levy to prioritise disability employment outcomes. We all recommend that the White Paper sets out specifically that these levers will be used to improve disability employment outcomes and is clear about how they will do so.
 - b. **There is too much focus on push factors and too little on pull factors.** While there is no evidence that most people with disabilities and health conditions will be more motivated to, and able to secure and sustain work if their benefits are reduced and/or they are mandated to participate in work and health conversations or other programmes, there is similarly limited evidence that measures set out in the Green Paper will encourage more

² The All Party Parliamentary Group on Disability, “Ahead of the Arc” – a Contribution to Halving the Disability Employment Gap, December 2016, p.5.

employers to recruit and retain more disabled people and to the extent that the measures might, could do so on any kind of scale.

We all recommend that White Paper has a substantially more 'customer-centric' view of providing support to:

- i. Jobseekers with disabilities and health conditions (so that everyone can seek employment support without fear of losing their income for example);
- ii. Employees that acquire disabilities and health conditions (who are often experiencing significant distress and/or having to manage trauma, pain or ill health³) so that they can be retained in employment; and
- iii. Employers so that they have access to bespoke information, advice and support relevant to their needs as and when they require it.

Helping the pull factor for employers are the excellent suggestions in the Green Paper about the public sector using its own commercial buying power to secure more disability employment⁴ and being an exemplar for disability employment in the UK. We all agreed with these recommendations set out in the White Paper.

- c. **There is a need for far more sensitivity to differences between different cohorts of people with disabilities and health conditions.** While our collective view is that there is no case for drilling down and reporting on every type of disability and health condition when the Government monitors and reports on the disability employment gap (and on other types of gaps such as job satisfaction for employees with disabilities and health conditions and pay gaps between disabled and non-disabled employees), we all recommend that

³ As 'Secrets and Big News' found, the period when a person acquires a disability and/or health condition 'can be enormously hard for people to get through distressing times when the future looks bleak, or when people have to manage trauma, pain or ill health. See: Nash K, 'Secrets & Big News: Enabling people to be themselves at work' Kate Nash Associates 2014 p.42

⁴ There are already some excellent examples of where this occurs. For example, the London Legacy Development Corporation took an integrated approach to accessibility and inclusion throughout its procurement processes for the development of the Queen Elizabeth Olympic Park so that suppliers were incentivised to develop creative and innovative solutions to delivering disability employment and wider access and inclusion outcomes.

much more appreciation of different people having different experiences and requirements for different types of assistance is crucial⁵.

- d. **The numbers don't add up.** There is only an expected total increase of 500,000 in the numbers of employed persons in the UK by 2020⁶ so even if only disabled people took up these roles (completely unrealistic), we would still be close to 600,000 jobs short. While it is obvious that a 2020 target for reducing the disability employment gap is unrealistic, we all recommend that, it is essential to have targets which are monitored and reported on. These should include reporting that differentiates between different disabilities and health conditions (along lines set out above), as well as between regions and between industries.
- e. **While more customer-centric support for employers is essential, at the same time there is the opportunity to challenge employers to do more too.** Where we all agree, is that having reporting along the lines set out above offers scope to challenge employers within specific industries e.g. industry level targets related to the proportion of people falling out of work due to disability or health condition, proportion of employees with disabilities and health conditions and levels of job satisfaction of employees with disabilities and health conditions.
- f. **The types of specific programmes that Government makes available such as Access to Work, Fit for Work and the Work and Health Programme only make a minor contribution to the overall target;** and indeed in the case of specialist contracted employment support this is being substantially cut so while 300,000 disabled people participated in contracted employment support between 2012 and 2015, between 2017 and 2020 this will fall to just 160,000 disabled people having access to the new Work and Health Programme⁷.

These programmes (although more on these later) all have an important role to play. Thus, our joint recommendation is that these initiatives should all be as accessible and responsive for people with disabilities and health conditions and employers (who are both customers of these programmes).

⁵ This relates both to types of conditions and for those who have newly acquired a disability or health condition (and for whom many will be going through a challenging time of adjustment).

⁶ Office for Budget Responsibility, Economic and Fiscal Outlook November 2016. Cm 9346.

⁷ ERSA/WPI Economics, 'More than words: Rethinking employment support for disabled jobseekers', October 2016, p.4

It is also our collective recommendation that rigorous independent evaluation that satisfies HM Treasury should take place of these initiatives. The intention is to evidence the business case for more investment in programmes that do help many more people with disabilities and health conditions successfully be self-employed or recruited and retained.

We would add that the Green Paper (p.13) estimates the cost of working age ill health at £100 billion a year, economic inactivity costs government £50 billion a year, there are £7 billion of NHS costs for treating people with conditions that keep them out of work and sickness absence costs employers about £9 billion per year: **investing more in programmes that work is insignificant when weighed against these costs.** Moreover, programmes that work deliver substantial savings and revenue benefits (as well as improve the economic and social participation of people with disabilities and health conditions).

- g. **It's not clear what the evidence base is for some of the ideas in the Green Paper and how these contribute to improving disability employment.** For example, mandatory health and work conversations, Disability Confident and the £500 payment to SMEs for retaining a formerly out of work disabled person for 3 or more months. That said, they might be useful and/or with tweaking could become more useful. In much the same way, as above, there is a case for rigorous, independent evaluation of initiatives that the Government is prioritising for improving disability employment.
- h. We all agree with the Secretaries of State that we need to 'highlight, confront and challenge the attitudes, prejudices and misunderstandings that, after many years, have become engrained in many of the policies and minds of employers, within the welfare state, across the health service and in wider society. To do this, our collective view is that **Government should consider investing in a large scale integrated marketing and communications campaign that is about changing societal and employer attitudes towards people with disabilities and health conditions.** In much the same way as the introduction of automatic enrolment to pensions and the apprenticeship levy were accompanied by large national advertising campaigns, there is a case for doing something similar about disability employment.

B. Information and advice needs for employers

9. The Green Paper seeks views about establishing a one-stop shop for addressing disability-related information and advice needs of employers. Our collective recommendation is that an information and advice service for employers, particularly for SMEs, should be commissioned by Government.

10. The experience of employer networks such as BDF and employability services such as Remploy Employment Services and Ingeus is that when employers look to improve their disability know-how it is crucial that there is readily available advice and guidance specific to individual requirements. Moreover, the support needs to be grounded in a relationship. It cannot only be trying to find information on your own by looking on a website at case studies or guidance for example.
11. This is essential because different organisations have different starting points, systems, processes and ways of working. While BDF for example works with 300+ mainly large employers that account for close to 20% of the UK workforce, and there is a market of specialised firms working with employers on aspects of disability, most employers do not have access to tailored support. This is especially true of the SME sector.
12. Our collective view is that this is a gap and the White Paper should confirm the availability of funded provision for SMEs by Government. Key elements include:
 - a. The ability to seek advice through multiple means i.e. online chat with an advisor, telephone, email advice etc.
 - b. The advice needs to be impartial, credible, grounded in the law, best practice and understands employer needs/ employer journey.
 - c. The advice and guidance needs to reflect whole-organisation requirements. We all agree this is important because workplace adjustments that are required for disability involve the whole organisation in a way that is not true for other protected characteristics. For example, adjustments to information and communication technology or premises or communications etc. won't need to be made because of gender, sexual orientation, race etc., but will need to be for disability⁸.

⁸ As BDF submitted to, and was noted approvingly by the House of Lords Select Committee on the Equality Act 2010 and Disability: 'One of the challenges of thinking about how you make a recruitment process accessible is that it has to involve the IT department, because there is often an online recruitment process. It means involving the premises department, so that the building is physically accessible. It means involving the learning and development department; so that there is adequate training and line managers are equipped to know what to do. It cuts across the entire organisation. See: House of Lords Select Committee on the Equality Act 2010 and Disability 'Report of Session 2015–16' p.56 quoting George Selvanera, Director of Policy, Services and Communications, Business Disability Forum

C. The role of key Government types of employer support:

(A) Access to Work.

(B) Work and Health Programme.

(C) Disability Confident.

(D) Fit for Work Service.

(E) A Small Employment Offer that includes a proposed roll out of a £500 payment to SMEs that have sustained a job outcome for a previously out of work disabled person for 3+ months –

and what changes to these initiatives would make it easier for employers to hire and retain more disabled people.

13. The Green Paper identifies four of the actions above to help make it easier for employers to recruit and retain people with health conditions and/or disabilities. We have included also the Work and Health Programme given, that for the programme to be successful, it requires specific support and assistance to both employers and jobseekers with health conditions and/or disabilities.

a. **Access to Work (AtW)** removes the disability specific disadvantages that exclude many from the UK economy by helping fund adjustments that would be unreasonable for many employers to fund. The scheme is expected to support 60,000 self-employed disabled people, employees, trainees, candidates etc. per year by the end of the Parliament. As noted earlier, **our collective recommendation is that AtW needs to be made far more ‘customer-centric’ both for people with disabilities and health conditions (including being more readily available up-stream for interviews, traineeships and for people who have acquired disabilities and health conditions while at work) and for employers.**

I. In 2015/16, the scheme supported 36,470 disabled people compared with 36,780 in 2014/15 of which 11,680 were new awards compared with 12,100 in 2014/15⁹. **Given 1.3 million out of work disabled people are looking for work, this suggests opportunities for much more promotion, including about the availability of AtW for those that acquire disabilities and health conditions during employment.**

II. Too often disabled people report poor experiences of engaging with AtW. They report inconsistent quality, ill equipped advisors and an overly medicalised and bureaucratic approach to funding awards. They also advise that they don't complain because of anxieties about being viewed

⁹https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/538443/access-to-work-statistics-march-2016.pdf page 13.

as troublesome and that complaints slow the processes down further.

Employers also report to BDF that AtW advisors lack understanding about their workplaces and that AtW processes are cumbersome and bureaucratic. This acts to prevent employers (when they know AtW exists) from making use of a scheme which would help them recruit more disabled people.

Taken together, this suggests scope for a different approach where AtW funding is ring-fenced and its operations made more transparent. The AtW Mental Health Support Service for example is managed by Remploy Employment Services and it may be that similar models could be applied more widely to AtW.

- III. It remains the case that recommendations about a cost benefit analysis for AtW by the House of Lords Select Committee in 2014 have not been implemented. Yet, there are some excellent outcomes which could help the business case for investment in AtW. The AtW Mental Health Support Service¹⁰ for example managed by Remploy Employment Services delivers more than 90% retention of employees who take up support.
- b. **Work and Health Programme** is a specialist contracted employment support programme for those with health conditions and/or disabilities. It is expected to support 160,000 out of work people with health conditions and/or disabilities between 2017- 2020. To support good job outcomes will require employability services with expertise in working with both employers and out of work jobseekers with health conditions and/or disabilities.
 - I. ERSA/WPI Economics research (Dec 2016) reports that in many respects, policy makers have learnt lessons and the programme will build on what has come before. They report ‘it is likely to be a voluntary programme; more money will be available to provide support for those on the programme and it will be available flexibly to people on a range of benefits, rather than targeting one particular type of benefit claimant¹¹’.
 - II. Nonetheless, as noted earlier, funding has been substantially reduced so that 46% less disabled people will participate in contracted employment support (from 300,000 to 160,000). Yet modelling suggests that doubling investment in the Work and Health Programme for five years would mean 30,000 more disabled people in work generating £280 million net

¹⁰ More than 1 in 4 disabled employees working in the private sector reported no knowledge of AtW (see ‘State of the Nation: Retaining and Developing Employees with Disabilities – Stage 2 Research’, BDF, December 2015).

¹¹ Supra n.3 at 10

Exchequer benefits. **As noted earlier, our collective recommendation is that rigorous evaluation that supports the business case for investment should occur.**

- c. **Disability Confident** 'is a campaign that challenges negative attitudes to disability and disability employment and aims to help disabled people achieve their potential. We <the Government> want the Disability Confident badge to become a recognised symbol of a good employer'. **Our collective view is that Disability Confident can be a useful first step for employers but how Disability Confident generates employer commitment to the recruitment and retention of employees with disability and health conditions and delivers more disability employment outcomes is unclear.**
- I. Disability Confident aims to be both a communications campaign and a source of advice and guidance for employers about recruiting and retaining disabled people. There are 2,400 employers signed up to the initiative¹², of which more than 90% have been transferred directly across from Two Ticks.
 - II. While we are encouraged by the inclusion of retention (as distinct from recruitment only as had been the case with Two Ticks), in the most recent iteration of the campaign, we agree that there are challenges to Disability Confident delivering on its objectives. For example:
 - a. As a communications campaign, it is not well resourced in the ways, say of the apprenticeship levy or the pension automatic enrolment, so how it might encourage (on any scale) changes in employer commitment and behaviour is unclear.
 - b. None of the information and advice provided on the website is built around the employer journey. Nor is it tailored or responsive to individual requirements.
 - c. It does not distinguish between good and poor quality. Self-reporting that an organisation has a workplace adjustment process does not mean it is a good one for example.
 - d. It is possible to have the badge of a Disability Confident Employer or Disability Confident Leader without any current or past experiences of recruiting and retaining disabled people. This is a significant risk to the credibility of the scheme in the eyes of disabled people and undermines delivery of key objectives of the scheme.

¹²https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/565722/disability-confident-employers-list.csv/preview

- d. **Fit for Work** provides a free, expert, impartial work and health advice service for employers and a targeted occupational health assessment for employees who are off sick for 4 weeks or more. The Fit for Work Service is managed by MAXIMUS UK in England and Wales and was implemented further to the review on sickness absence conducted by Dame Carol Black in 2011. **Our collective view is that Fit for Work has a very important role to play in supporting employee retention for those employees who go off sick, but there are service design issues to overcome.** These include:
- I. The Service has had much fewer referrals than expected¹³ (close to 10,000 between March 2015 and September 2016) because GP referral remains limited. GPs are the expected main route of referral, but their awareness of occupational health issues is low and primary care is already under significant pressure.¹⁴
 - II. Unlike employer based occupational health services, the Service can only work with employers to frame recommendations they could reasonably implement when the employee consents to information being shared with the employer.
 - III. The Service can only work with people once they have been absent for 4-weeks. This is not flexible enough for those that would benefit from earlier support such as people with mental health needs and some musculoskeletal conditions.
 - IV. The Service can only work with a person once in a year, which for people with fluctuating conditions for example is an unnecessary barrier.
 - V. The Green Paper is keen to identify what the Government could put in place to make employers improve sickness absence management. The Green Paper notes positively for example the approach of some countries to mandate contact between employers and employees when the latter is off with ill health and requiring employer action to support employees back into work or ultimately to pay for sickness or benefit costs if this is not achieved. We don't have a collective view about the efficacy of these models, although note that good employers will have regular contact between employers and employees when the latter goes off sick.

¹³ <https://hansard.parliament.uk/lords/2016-10-19/debates/C77930A2-F723-4E99-AD2D-A5CEB174A451/FitForWorkScheme>

¹⁴ See Baird B et al, Understanding Pressures in General Practice, Kings Fund (2016).

- e. **Small Business Offer** is being rolled out to support smaller employers to create more job opportunities for people with health conditions and disabilities. Advisers based in Jobcentre Plus will work with employers to create tailored in-work support for employees, and provide advice and support for employers on workplace adaptations. The intention is that small employers can apply for a payment of £500 where employment continues for 3 months.
 - I. Our collective view is that paying employers to retain people with health conditions and disabilities undermines the (correct) view that all people with health conditions and disabilities are just as talented and capable as anyone else. It is not coherent.
 - II. There may be better types of support such as funding the adjustments for the small business, paying the costs of their joining a network or providing access to free training relevant to that workplace for example. This reinforces our earlier point about the value of rigorous independent evaluation of this type of initiative.

D. What role for employers in disability monitoring and encouraging employees to share that they have a health condition and/or disability?

- 14. The Green Paper seeks views about whether employers should be mandated to monitor and report on disability employment, pay gaps between disabled and non-disabled employees and so on. **There is not a shared view about whether disability monitoring and reporting by employers should be mandated by Government, although we all agree that only voluntary sharing of a disability or health condition should occur. We also broadly agree that it is probably right not to oblige SMEs to report.**
- 15. The frustration that too many people with disabilities and health conditions have remained locked out of employment is collectively understood. The need to do something different- bold and innovative- is also collectively understood. We also all recognise that there are some employers already setting targets to improve disability employment within their organisations and are monitoring their progress in this respect.
- 16. We accept that different stakeholders have different views. However, this question is resolved, what we also recognise is that:

- a. As Secrets and Big News¹⁵ found in research with 2,511 disabled employees in the UK, the sharing of personal information about a health condition and/or disability relies both on the confidence of the individual (i.e. disability confidence as an inside-out process) and the extent to which the employer offers an inclusive and enabling culture and systems and processes that help all employees, including those with health conditions and disabilities, allows people to bring their authentic selves to work.
- b. There are many reasons why individuals do not share personal information e.g. they do not consider a health condition or disability as part of their identity, they are unaware that their condition or disability constitutes a disability for the purposes of the legislation, they do not consider that their condition or disability is relevant to their employment, they lack confidence in their employer (or prospective employer) having the right support in place, they are worried about being perceived as troublesome, they are worried about potential impacts on progression given the 'bigotry of low expectations' endured by too many people with health conditions and disabilities and so on.
- c. It is essential that we keep modelling and promoting what good employers do to make their workplaces more inclusive and accessible for all employees. It may well be that in the absence of a mandated approach; a group of leading employers may even want to club together and demonstrate how disability monitoring and reporting could be done.
- d. There needs to be sensitivity to potentially perverse outcomes. This isn't simply about viewing disability through the prism of 'compliance' (that is a risk of course, but arguably that is true for reporting as it relates to gender and ethnicity as well). As one disability organisation representative indicated, for example, that unlike gender and ethnicity, disability embraces far broader diversity; so different employers may find it easier to employ people with certain disabilities and health conditions at the expense of others- not an outcome that is consistent with the stated intention.

¹⁵ Nash K, 'Secrets & Big News: Enabling people to be themselves at work' Kate Nash Associates 2014 p.42.

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