



Report on the employment of disabled people in European countries

Country: United Kingdom
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Background:

The [Academic Network of European Disability experts](#) (ANED) was established by the European Commission in 2008 to provide scientific support and advice for its disability policy Unit. In particular, the activities of the Network will support the future development of the EU Disability Action Plan and practical implementation of the United Nations Convention on the Rights of Disabled People.

This country report has been prepared as input for the *Thematic report on the implementation of EU Employment Strategy in European countries with reference to equality for disabled people*. The purpose of the report ([Terms of Reference](#)) is to review national implementation of the European Employment Strategy from a disability equality perspective, and to provide the Commission with useful evidence in support of disability policy mainstreaming. More specifically, the report will review implementation of EU Employment Strategy and the PROGRESS initiative with reference to policy implementation evidence from European countries, including the strategies addressed in the EU Disability Action Plan (such as flexicurity and supported employment).

PART ONE: GENERAL EVIDENCE

1.1 Academic publications and research reports (key points)

There have been a large number of research and evaluation studies published on disability and employment in the UK, reflecting the importance of this area of policy in recent years. These have focused either on the general direction of policy under New Labour governments, or on evaluation of several new employment activation policies and pilot schemes that have been introduced.

A key contribution in 2005 was the edited collection *Working Futures* (Roulstone and Barnes 2005) which included 23 chapters by different authors on general and specific aspects of disability employment policy in the UK. Stafford's chapter outlines the background to the 'New Deal for Disabled People' (the UK government's main programme towards 2010) which has focused on people receiving disability benefits. Projects within this programme have now been developed, extended and evaluated.

An extensive evaluation of the New Deal programme by Stafford et al (2007) showed that the take-up rate for 2006 was 3.1 per cent and that there were 260,330 registrations between July 2001 to November 2006 – and 43% had found jobs. More than half of eligible people were aware of the programme. In general, recipients' experiences and outcomes were positive. There was evidence of cost-benefit in savings on welfare benefits (e.g. £2,915 to £3,163 longer-term benefit claimants) and £613 to £861 for more recent claimants. Take-up remains a stubborn problem, with common barriers including lack of awareness and



concerns that involvement may lead to financial disadvantage. Such concerns are, however, reduced somewhat by the introduction of a national minimum wage.

In addition, 'Pathways to Work' is a related pilot scheme which offers a broad range of support and recognises the range of factors militating against access to the open labour market, including health and welfare models that traditionally have excluded employment from their remit. It is expected that Pathways to Work will provide full national coverage by April 2008 and, in some areas, will replace the New Deal scheme currently on offer (see www.disabilityalliance.org/path2.htm for more details).

Thornton's chapter in *Working Futures* outlines the use of 'personal advisors' and work-focused interviews in pilot projects for 'Jobcentre Plus' (the UK agency responsible for delivery on a range of employment programmes). Initial evaluations found that personal advisors lacked disability knowledge and were not always confident about discussing employment with people who had been officially classified as unable to work. Disabled people's opinions also favoured more specialist disability advisors and there is a case for general advisors to be backed up by specialists in disability.

Overall the period 1998-2008 has witnessed a reduction of state and employer subsidised employment opportunities, with greater emphasis on open market employment and normalisation approaches based on 'place and train' models rather than readiness models (Corrigan and McCracken, 2005; Groves and Secker in Roulstone and Barnes, 2005). Remploy, a key state funded sheltered employment scheme has been encouraged to reduce its sheltered status in favour of schemes which bring disabled people closer to the open labour market. Indeed Remploy is following the shift towards publicly funded bodies acting as brokers of services rather than direct service providers (Roulstone and Morgan 2008). Whilst the sheltered employment principle has been much criticised as dependency perpetuating, there appears to be some transitional need for extra support for workers deemed below 50% productivity for whom the open labour market may still be unwelcoming.

1.2 Employment statistics and trends (key points)

Although the UK reports one of the highest employment rates in the G7 (and exceeds the Lisbon targets) employment for disabled people remains much lower – reported at 26.9% in the National Reform Programme (p20) – although this is higher than rates for other marginalised groups (such as those with the lowest qualifications). However, data from the recent study *Compilation of the Disability Data from the administrative registers of the EU Member States* suggests that official low 'unemployment' rates are matched by high rates of 'inactivity' for disabled people (see Shima et al. 2008). The rate of improvement in unemployment is below the EU15 average.

The most reliable source of data is from the Labour Force Survey, although this covers only men aged 16-64 and women aged 16-59 (there are also three different definitions of disability used). The Disability Rights Commission (DRC) produced regular statistical briefings on disabled people's employment until it was abolished in 2007. There is a need for this analysis to be continued. According to 2006 LFS data analysis for Great Britain, the DRC (2007) identified 6.9 million disabled people of working age (one in five of the population) – 51% men and 48% women (although, according to SILC data, the proportion of women and men receiving disability benefits in the UK are close to equal). There was an 8% growth in the

working age disabled population from 1999 to 2006 (four times the increase in the non-disabled population). The employment rate rose from 47% to 50%.

The unemployment rate in 2006 was 9%, compared with 5% for non-disabled people and 2.4 million disabled people were out of work and receiving state welfare benefits. Disabled people with 'mental health problems' had the lowest employment rates (21%). Although half of disabled people were economically inactive, a third (1.3 million) would like to work (Stanley and Regan, 2003).

The data raises concerns about the lack of improvement in low educational qualifications in a high skills UK labour market, disabled people being less than half as likely to hold a university degree and twice as likely to have no qualifications compared to non-disabled people. The picture for younger age groups is slightly better, however evidence suggests a rapid reduction in employment aspirations between age 16-24 (Burchardt 2004).

1.3 Laws and policies (key points)

In general terms, there has been a shift towards a more rights-based approach to disability employment policy plus a growth in the number of specific actions on employment activation (employment quotas were never enforced in the UK and were abolished in 1995). In this way, the political approach has emphasised the 'springboard' rather than the 'safety net' principle. The Disability Discrimination Acts of 1995 and emphasis both redress in cases of discrimination and the need for public bodies to take action to prevent discrimination respectively. There have been some notable successes in case law, however redress is hard to access (Roulstone 2003) and the pace of public sector change is limited by concepts of reasonableness and reluctance to adopt a barriers approach to monitoring public employer and service provider activity (Roulstone and Warren 2006).

The employment of disabled people, and transfer from welfare to work, has been a very significant topic of concern for UK policy makers over the past 10 years, and there are several examples of new initiatives in the 2007 National Reform Programme document. The primary concern has been to encourage people on long-term incapacity benefits to enter employment.

Pilot schemes for 'Pathways to Work' have been targeted at the high number of people receiving incapacity benefits (including Incapacity Benefit, Severe Disablement Allowance and Income Support on the grounds of incapacity or disability) with 32,000 people moving to work from these schemes. The UK Government arrived at an ambitious target of reducing incapacity benefit claimants by 1 million. This is still some way from being achieved, whilst the full weight of barriers to accessing employment may have been underestimated (Roberts et al, 2004)

From October 2008, the Welfare Reform Act 2007 will replace Incapacity Benefit with a new Employment and Support Allowance (and most people will be expected to engage in some work-related activity). The government's new Office for Disability Issues has also worked to raise awareness of disability and barriers to employment amongst employments (particularly SMEs). An example of voluntary sector awareness activity is given on p22 of the Reform Programme.

The Childcare Act 2006 introduced new responsibilities for Local Authorities in 2008 to help parents into employment, particularly targeting parents of disabled children. The Carers (Equal Opportunities) Act 2004 also aims to encourage employer responsiveness to carers needs to balance paid work and their caring role.

European Social Fund projects for 2007-2013 will include specific new actions to target employment and basic skills training for disabled people (amongst other groups)

1.4 Type and quality of jobs (summary)

According to the DRC data briefing (p16, Table 8), disabled people are more likely to work in manual and lower occupations, and less likely to work in managerial, professional and high-skilled occupations. Overall, the average pay for disabled people was 10% lower than for non-disabled people.

Public sector employment has been an important driver in increased equality (particularly employment in local government and the health service). After implementation of the Disability Discrimination Act in 1995, employment of disabled people in the public sector increased rapidly and faster amongst women than men. Differences in educational qualifications for disabled employees also appear less marked than in the labour market generally; although disabled people remain less likely to be in senior positions (e.g. Hirst et al 2004). Since December 2006, there have been stronger requirements on employers in the public sector with the introduction of a new Disability Equality Duty. This provides a useful example of good practice in implementing employment equality law, see: http://www.direct.gov.uk/en/DisabledPeople/RightsAndObligations/DisabilityRights/DG_10038105

Britain and the UK does not report comparative data for sheltered employment of disabled people (e.g. in EU SILC data) but this has been a topic of significant policy debate in the past two years. The government Audit Office reviewed 'Remploy', the largest provider of sheltered employment (a public body created after 1945) and required substantial change in line with current policies for mainstreaming. Remploy will therefore close 32 of its sheltered factories and expand its services to support employment in the mainstream labour market. By 2012 it aims to find jobs for 20,000 people (compared to 5,000 at present). This is viewed as a more acceptable and more cost efficient use of resources within a rights-based policy framework, and will target a wider range of job opportunities for people with cognitive impairments and learning difficulties.

PART TWO: SPECIFIC EXAMPLES

2.1 Reasonable accommodation in the workplace

The Access to Work scheme provides practical assistance for people who are employed, self-employed, or about to start a new job. This scheme provides funding towards the additional disability-related costs of special equipment, adaptations to the workplace, personal assistance, travel to work, etc. Eligibility is assessed via Disability Employment Advisors and the Jobcentre Plus scheme. The employer normally pays for the additional support required and receives a grant towards these costs (up to 100% of the costs for those entering a new job or self-employed). However, no additional funding is provided if the employer is also a



government department, and the government is currently consulting to remove funding from all public sector employers. This raises concerns about the progress made by such employers in the past 10 years. There has been very little research on support provided to disabled people (but see Thornton & Carden 2002) and levels of awareness of the scheme are very low amongst disabled people in large part due to the absence of government advertising of the scheme. Most recipients learn about Access to Work via 'word-of-mouth' (Roulstone et al, 2003).

2.2 Other activation policies

Summary information on actions to support disabled people are described on the government information website here:

<http://www.direct.gov.uk/en/DisabledPeople/Employmentsupport/index.htm>

2.3 One example of best practice

In a recent pilot project in the UK, employment advisors were located in medical surgeries of general practitioners (family doctors). The doctors help to identify people with impairments and health conditions affecting their work and the advisor acts as a 'gateway' between patients and the employment services offered by Jobcentre Plus (and other relevant services and organisations).

An evaluation by Sainsbury et al (2008) included interviews with 212 people who had used the pilot project, and with doctors and advisors. The evaluation showed the role of experienced Pathway Support Advisors as a 'gateway' to employment and support services was effective, and that early intervention had a positive impact on future contact with employment services. The evaluation did not include a reliable quantitative element. As with a number of employment related schemes in the UK, disabled people and their organisations are concerned that more successful schemes move beyond pilot status and are broadened to the wider eligible population.

The full report and the summary are available at:

<http://php.york.ac.uk/inst/spru/pubs/social.php>

PART THREE: SUMMARY INFORMATION

3.1 Conclusions and recommendations (summary)

There is concern that, despite the dramatic increase in disability welfare expenditure and a wealth of policy reforms over the past 10 years, disabled people remain significantly disadvantaged in their quantity and quality of labour force participation. There is some evidence of improvement in the employment of disabled people, and significant improvement in certain sectors (such as public sector employment) where there has been stronger legal responsibility on employers. The low employment rate of mental health service users and people with learning difficulties is cause for concern. There has been major investment in welfare to work programmes, some of which have been positively evaluated. However, there is also concern about the increasing demands and expectations on disabled people arising from the 'rights and responsibilities' policy agenda. More effective employment activation policies have been (partially) successful in bringing those disabled

people who are close to the labour market into open employment. An enduring challenge is that of getting disabled people historically some distance from the labour market closer to paid employment opportunities (Roulstone and Barnes, 2005).

More effort is required in supporting gradual paths to paid work (e.g. via hours build up and voluntary work as forms of validated economic and social activity). The use of employment subsidies, whilst less favoured are valuable for those furthest from accepted productivity norms, traditionally sheltered factories embraced those with between 30-80% productivity. The welcome emphasis on open employment may however not serve well those who have between 30-60% productivity. Most success to date has been recorded in getting those closest to the labour market into work -what labour economists call 'cherry picking' approaches. There is evidence of many disabled people further from the labour market who would like to enter paid employment. Those with enduring mental health problems and people with learning difficulties are least likely to be employed or economically active-targeted activity is required to better engage these 'groups' without simply creating other marginalised groups (simple displacement effects). There is evidence of much helpful and bespoke disability employment practice amongst 'third sector' organisations. This is little recognised on the contracting of employment support organisations. More support and coordination of third sector activity is required.

3.2 References

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