

Work and Pensions Committee

Oral evidence: Disability Employment Gap, HC 56-ii

Wednesday 13 Jul 2016

Ordered by the House of Commons to be published on 13 Jul 2016.

Watch the meeting

Members present: Frank Field (Chair); Heidi Allen; Ms Karen Buck; John Glen; Steve McCabe; Jeremy Quin; Craig Williams.

Questions 50-106

Witnesses

I: Peter Bacon, Bid Director, Kennedy Scott, Dan Brooke, Chief Marketing and Communications Officer, Channel 4, Roy O'Shaughnessy, Chief Executive Officer, Shaw Trust, Steve Sherry OBE, Chief Executive, Royal British Legion Industries

II: Mark Elliott, Director of Development, Leonard Cheshire Disability, Danielle Hamm, Associate Director of Campaigns and Policy, Rethink Mental Illness, Diane Lightfoot, Director of Policy and Communications, United Response, and Karen Walker-Bone, Director, Arthritis Research UK-MRC Centre for Musculoskeletal Health and Work

Written evidence from witnesses:

- [Peter Bacon, Kennedy Scott](#)
- [Roy O'Shaughnessy, Shaw Trust](#)
- [Steve Sherry OBE, Royal British Legion Industries](#)
- [Mark Elliott, Leonard Cheshire Disability](#)
- [Danielle Hamm, Rethink Mental Illness](#)
- [Diane Lightfoot, United Response](#)
- [Karen Walker-Bone, Arthritis Research UK-MRC Centre for Musculoskeletal Health and Work](#)

Examination of witnesses

Witnesses: Peter Bacon, Dan Brooke, Roy O'Shaughnessy and Steve Sherry.

Q50 **Chair:** Welcome. May I ask you to identify yourselves for the sake of the record? Dan, as I know you have a history of grandparents in this great building, might you begin by identifying yourself, rather than your family roots?

Dan Brooke: My name is Dan Brooke, and I am in charge of marketing and communications at Channel 4. I am also the board member at Channel 4 responsible for diversity, which was a role I asked for and am very proud to hold.

Steve Sherry: Good morning everybody. My name is Steve Sherry. I am the chief executive of Royal British Legion Industries. We work with veterans. We have a social enterprise called Britain's Bravest Manufacturing Company. We work on the Government's Access to Work programme and the Work programme. We work for the MOD looking after wounded and sick veterans, and we look after veterans with a programme called LifeWorks right across the country.

Peter Bacon: I am Peter Bacon. I am the business development director at Kennedy Scott. We are an SME in the employment support sector. Probably our most major and interesting contract, for the purposes of this meeting, is the DWP's specialist employability support contract, which is a national contract run across the country in strategic partnership with Central YMCA for those with very complex multiple disabilities, many on the autistic spectrum and many with learning disabilities.

Roy O'Shaughnessy: Good morning. My name is Roy O'Shaughnessy, and I am the chief executive of Shaw Trust. We currently have about 52% of the Work Choice contracts with DWP. We also have the prime contract for the Work programme for London and in partnership with Maximus on two other areas. We are a self-sustaining charity and we fund about £7 million a year of social enterprises.

Q51 **Chair:** Brilliant. Many of us are aware of your organisations in our constituencies. May I ask the first question? I think it warrants only brief answers. The Government set itself an objective of reducing the unemployment rate among disabled people. How realistic, Roy, is it in achieving that within its timetable?

Roy O'Shaughnessy: If the current programmes that are on offer, including the Work and Health programme, do not change, and if we look at what has been done traditionally in the past, we will probably safely place about 20,000 to 25,000 people a year with a disability into employment. That is reasonably similar to what has been accomplished over the last five years on the Work Choice programme or an equivalent one. To get 1.1 million people with a disability into employment will take a

massive effort between Government, civic society and business that we have not yet come together to do.

Q52 Chair: So it is a good objective but it is not going to be achieved under the current programme.

Roy O'Shaughnessy: It is not likely to be achieved under the current programme unless organisations like ours and those at the table start working together in a completely different way with business and Government.

Peter Bacon: I would echo that. From my perspective, it is worth looking at, as Roy said, some of the great societal issues that sit behind this too. Too much, people are defined by their disabilities. Their achievements are stripped away. Their abilities, strengths and confidence are stripped away in the face of a society that looks at someone in a wheelchair and sees the wheelchair, or hears about an employee with a mental health issue and their first thought isn't, "How can I support this person?"—it's, "Goodness me, how am I going to make sure that job function gets done?" It is a real question of what we can do and what you can do together to start to address that issue.

From our perspective—hopefully we will get the chance to talk about this later—one of the key things is making sure that all the bits of the system are pointed in the right direction. Clearly at the moment there is an issue with different bits of the system pointing in different directions. The work capability assessment, for instance, points in a completely different direction to our sector, in terms of the employment support sector. We see people who have been told they cannot work for 12 months or more—how do you then have that conversation?—and likewise with some of the incentives around benefits. More than that, it is about engaging as great a number of people as possible, as Roy says, in this drive. I entirely echo that under what is being done at the moment—the status quo—it is going to remain an aspiration, and not an achievement.

Steve Sherry: I was at the IntoWork Convention in Birmingham this week, which had most of the providers of employment support in the country there. The Learning and Work Institute said that at the current rates it might be achieved in 200-plus years. With a military background, I think this is an ambitious goal—a very ambitious goal; and if you have ambitious goals you need an ambitious scale of resources. I see no indication of an ambitious scale of resource, so the short answer to your question, I think, is no, it won't be achieved.

I know there was some discussion, from looking at the transcripts last week, of, "Was 10 years the right figure?" I do not think anyone knows what the figure is, so I would suggest that if you want to achieve it you have got to do something more radical. We give, I think, 2% of GDP to NATO as our contribution; we give 0.7% of GDP to the Department for International Development—and that is fine. Why don't we look at giving a percentage of GDP to solve this issue—I do not think anyone could tell you what that percentage should be, but it needs to be more than we are



HOUSE OF COMMONS

doing at the moment—and then use that to fund a whole mix of different initiatives and then evaluate those and work out which ones work? I think you have to take a bit of a leap of faith; there are lots of good initiatives out there and none of them are funded properly.

- Q53 **Chair:** Certainly that is the aim of our report, Steve—to actually suggest what the next moves are; and we are going to come on to questioning you in a moment about that.

Dan Brooke: I am not sure I would demur from much of that. I do not know that we particularly have expertise in commenting on employment across the nation, but we have some experience as an at-the-coal-face mainstream employer trying to significantly increase the number of disabled people in our workplace and also to become a gold standard employer. From that perspective I would say that these targets, while admirable, look pretty challenging, not least because I am very aware of the resources that are available from the Government, and we are trying extremely hard to utilise those, but I am not sure that the resources and the ambition—there is quite a big gap between those two things.

Chair: But, given that there will either be a reappointment or a new Secretary of State this afternoon, if one is going to get the Secretary of State to pick this up, they need to have projects, don't they, which actually show that they work? May we move on to Craig?

- Q54 **Craig Williams:** Can I ask you more broadly, to start with, to what extent you think we need to change employers' attitudes towards disabled people and, if you do think we need to change employers' attitudes, what kind of incentives do you think might work?

Roy O'Shaughnessy: A recent survey has shown that 95% of employers in the UK feel uncertain or insecure about hiring people with a disability—not because they do not want to, not because they do not want to give fair opportunity, but they are not sure whether they understand the protocols, what is the right politically correct way of talking about disability, and how you appropriately assist the individual with what they need in work, to stay in work. So the Disability Confident campaign, which was started a couple of years ago and which we have participated in fully, has started doing reverse job fairs where we actually have the employer coming in, meeting individuals, and trying to change some of those attitudes right there.

I think the single biggest reality is about communication. I have yet to meet an employer who will not hire a person with a disability if they are confident that that person can do the job, will have the appropriate support getting settled into the job, and will have the right mentoring when issues come up to assist with any challenges that might come from the organisation's side, let alone from the individual's side. So my personal view, and that of Shaw Trust, is that we just need a much, much more intense campaign of communication with employers and to really expand the whole Disability Confident campaign to other organisations in our



country that can spread the word much faster than we can by one event in a town every couple of months.

- Q55 **Craig Williams:** So you blame the majority of the problem on communication. You do not think there are any specific incentives we could give to businesses that would help.

Roy O'Shaughnessy: Incentives are always helpful. Under Work Choice we have a 47% conversion rate of people with a disability who come into Work Choice voluntarily and want a job; 47% of those individuals end up in a job. But that affects only 20,000 people a year, so to exponentially increase that is the challenge, and to do that with limited financial resources means that we have to completely eliminate any noise around what this is all about.

We have already said it: the only difference between a disabled person looking for a job and a so-called able-bodied person is whatever the barrier is to their getting a job. Once they are in the job, their brain functions exactly the same way; their commitment is the same and everything else. So this is more about overcoming the perceptions that an individual might have. A lot of employers think that when we talk about disabled people, we mean people in wheelchairs, and they say, "Oh, my buildings aren't constructed for that." But actually that is only a small percentage of people with a disability.

My view is that we in civic society, not just Government, must do a much better job of defining in our own communities what jobs are available and what individuals are available and fast-track that. Asda is an example. They take almost anyone we suggest to them—on a work placement to start with, but invariably within a week to 10 days they offer the person a full-time job if they think there's a match-up. I think that just has to happen more and more.

Peter Bacon: To build on that answer, I entirely agree that the will is there; the issue is how to go about getting people in front of you at interview stage, and even soliciting the right CVs is a huge problem. Employers are not necessarily seeing lots of people with disabilities and are saying, "Oh, I'm not sure how they can fit in." There are 2.5 million-plus people whose CVs, whose talents, are not being seen by employers, so I think one thing that we should consider, certainly for a percentage of roles, is having to have someone with a disability on each shortlist to be interviewed—not necessarily having quotas for who is employed, because that can lead to some quite damaging perverse incentives, as we have seen in Germany, but having to at least speak to somebody. I think that will help our sector, in terms of actually going to employers and knowing that we have a lot to offer. We already do; we already know that, but it is a real route in. I think it will help people who are applying for jobs to know that they stand a chance even if their CVs are not as long as those of people who have not had career breaks, for instance. I think that is one thing that would help.



HOUSE OF COMMONS

Roy mentioned the Disability Confident campaign. We welcome the aims of the campaign, and some really good things are going on, but I think it is fair to say that the campaign has not really had the impact that anyone would have hoped for at this stage. Despite the fact that it is a fairly light-touch thing to get involved with, only 400-odd organisations are involved with Disability Confident at the moment. That is a tiny fraction of the employers that could be involved with it, and that tells me that people are either not aware of it or, linked to that, not valuing it.

In terms of valuing it, one thing that would be great would be more assessment and more scoring so that you could show great practice. Whether it's Roy's organisation or my organisation, we all bid for things, and if we can say that we are getting 95%, 100% or whatever, compared with an average of 70%, that's great for us; we want to be able to show that we are that kind of employer. So having a scoring system that differentiates how good the practice of an organisation is would be one thing to consider. Another would be a minimum standard that you should not fall below, and if you do fall below it, you do not have any recourse to public funds—that would give it some teeth.

Q56 Chair: Steve and Dan, the question was what we might do to change employer attitudes. Have you anything to add?

Steve Sherry: I think incentives are the answer, primarily because, although I do not have the figures here, much of employment is through SMEs, and SMEs are busy fighting in day-to-day life to keep their head above water. So I think the answer would be some kind of financial incentive. It might be a programme such as the future jobs fund, which came out in the last months of the previous Labour Government and got over 100,000 young people into work. My charity took on 17 of them. We kept five of them afterwards, and putting young people in like that has revolutionised the charity. So I think schemes like that one for SMEs would be important.

I think it is a mixed economy with this. Of course, I run a social enterprise, so I would say this anyway, but I think campaigns like Rob Wilson's campaign to buy social—to get corporates to spend £1 billion with social enterprises by 2020—are also very supportive, because those social enterprises, in the main, look after people with a whole range of disabilities. Not only does that give employment, but it creates an ethos and an environment that can come in, and those social enterprises get into the supply chain of big organisations and that ethos can be spread upwards. SMEs and social enterprises have a huge part to play in this but they need some kind of incentive or programme to make that work.

Dan Brooke: I think there is room for incentives. I do not think anybody in my sector gets up in the morning and thinks, "Right, how do I keep disabled people out of the workplace?" I think people's general mindset is extremely positive but there is a big gap between generally having a positive mindset towards a subject and actually creating proper, enduring change. Once you become experienced and systematised about employing disabled people you are off and running and you see the benefits for your



HOUSE OF COMMONS

workforce on the ground of an inclusive workplace across a wide variety of different aspects of diversity. I think the big issue is getting yourself started as an organisation and, although there is not an absence, there could be more information available to employers. I think financial incentives would also undoubtedly be effective. For example, some form of tax break for employing, up to a certain threshold, x% of your workforce that is disabled— that would motivate us as an employer to employ even more disabled people, no question.

Q57 Steve McCabe: I assume the Government's intentions on this are quite genuine, but I am slightly worried that the delays, the scrapping of the White Paper and a different Secretary of State mean it all has the potential to drift into the future. What would be the benefit of whoever is the Secretary of State sitting down now and saying they were going to have a one-off disability employment pilot and draw on the experience of all of the people in other organisations who can do that and use that to inform a Green Paper? Isn't that the way to stop it drifting into the long grass?

Steve Sherry: I would entirely support some large pilots. I think lots of organisations are doing lots of small pilots, which are very difficult to get hard evidence and solutions from. We run a programme called "LifeWorks" for veterans and we do that right across the country. It is a very intense one-week course. The veterans range from 21 up to 67 and the median group are about 35 to 45. The two things they have in common are that they have been in the armed forces and they are now out of work. They may have had a successful transition but for whatever reason they are now long-term unemployed. We lead on that with high-quality assessment to begin with. We run it as a group, normally eight to 12, but it is individual for those people on it. It is about doing high-quality assessment in the first place; it is not about their disability but about what they can do. What are their values and beliefs? What is their aptitude from proper psychometric and aptitude testing? We then take them through that process of motivational change and how to effect change in their lives. We are getting some remarkable results out of it but it is a small cohort of about 250 veterans a year. We get 80% of those back into long-term employment within six months and we have some independent research that shows that 80% of them have got some kind of medical or health condition. We were not aware of that but we knew anecdotally that a number did. That is a successful programme.

Q58 Chair: How much did that cost per person?

Steve Sherry: It is about £20,000 overall now we have rolled it out. We have been charging—in charitable terms—£1,500 per person per course. The all-in cost—it is not just the programme, it is a back route—ranges up to about £10,000 to £20,000, depending on each individual.

Q59 Chair: What benefit level would they have been on?

Steve Sherry: A whole range.

Q60 Chair: I am just thinking about the cost side against the £20,000.



HOUSE OF COMMONS

Steve Sherry: I think just one year would wipe that out for some of them; for others it would be a couple of years. If they stay unemployed for the rest of their lives we know their health conditions will get worse and the effects of that on whether they then offend and all of that. We can do all the sums but this is why I say we need a step change. We need to be bold and do some programmes. If you went larger scale, you would bring that unit cost down. We have to send a team out to each city in the country. In answer to Mr McCabe's question, some large pilots would be good but they need to be done soon.

Q61 **Steve McCabe:** There is only one other thing I want to ask about that. If that was one way of actually giving us some tangible evidence that could form a Green Paper, how quickly—from your experience—could we put something like that in place? How many people, at roughly what sort of cost, could we help?

Dan Brooke: I do not know the precise answer to that question, but I think there is something that could be done with existing evidence. There are large employers, employing tens of thousands of people, who can act as case studies. The ones that are highlighted to me are companies like Lloyds, Barclays and BT. When you go and ask them for advice about how they do what they do, they are very open about it, but there is not a systematic way in which their successful work is case studied out to organisations across the land.

Roy O'Shaughnessy: Barclays has been a very good partner of the Shaw Trust, and is partnering on the global congress on rehabilitation in October. I completely agree that we need the information but I actually think that the information is already there. In the past two years, the Minister for Disabled People has probably got every major charity in the country together. The information is being collected.

It really comes down to whether we are building on an existing programme that really has a ceiling of 20,000 to 50,000 people, even if every provider excels, or whether we are trying to create 250,000 new opportunities. That is a completely different discussion that will require a different way of thinking. It is not necessarily predominantly about money, but the money will be needed to provide the advice to the employer and the mentoring to the individual, and to get the correct assessment so that there is a much better chance of that person staying in the job when they go into the job.

I fully support the efforts to date. In fact, the Minister for Disabled People deserves a real commendation for how he has heard us and collected the information. I just think that there is a perceived boundary that it is going to cost billions of pounds to do this. Actually, if we turned this on its head, the 160,000 civic organisations, including RBLI, Shaw Trust and the for-profit organisations out there could probably—at least 100,000 of the jobs would be only four to six hours a week because of the nature of the person's disability. Only one out of 100 special needs children in the UK ever goes into sustained employment. Only six or seven out of 100 ever go into a work placement.



HOUSE OF COMMONS

Q62 **Chair:** What are the figures for Europe on that?

Roy O'Shaughnessy: It depends. Scandinavia has a much more successful model. Their communities are much more integrated and they would be looking at about 40%

Chair: Gosh.

Roy O'Shaughnessy: But theirs is a completely different model. I completely understand that we have our challenges. Obviously this will not be done if we do not believe it can be done. I am saying that I believe it can be done. I just do not think we have joined it up in a way to make that happen.

Q63 **Jeremy Quin:** Peter, I hope you don't mind me coming back to this, because it was a throwaway remark, but you made reference to the way in which Germany is doing things. You said that was not working quite so well. Is there anything further that you could add to that?

Peter Bacon: I am not, by any means, an expert on the German system, but I think it has resulted in a lot of doing things like going through your payroll and asking people to declare disabilities that may or may not be there in order to start hitting quotas or, potentially—

Q64 **Jeremy Quin:** So they are on a quota system; companies are required to have a certain number of people.

Peter Bacon: There is a quota system in place. That is the kind of issue they have. It is a perverse incentive issue. Often the issue when quotas are applied to things generally is that you end up with perverse incentives. That is also why you need to be very careful with things such as giving employers incentives. You need to have really robust regulation to ensure that the behaviour is enough to get the employer over the line when it comes to employing somebody with a disability, but not so much that it is forming part of their for-profit business model to do so. It should be more about them just having the little push to unlock somebody's talents, rather than a for-profit thing; I do not think that would be a sustainable solution by any means.

Q65 **Heidi Allen:** There are two parts to my question, and the first is really quick. I am getting a little confused; Roy, my ears pricked up earlier when you said that if we continue with the Work and Health programme being like the old Work Choice programme was, it would not create any better results. We have also moved on to talking about pilots, the Green Paper and where we are. I would like to understand whether each of you have actually been involved in, and have been asked your opinions recently on, the Green Paper—or White Paper, or whatever you want to call it—or the Work and Health programme. Yes or no?

Roy O'Shaughnessy: Yes.

Peter Bacon: Not really.

Steve Sherry: Partly.



Dan Brooke: No.

- Q66 **Heidi Allen:** My second question is this. It seems like you are all champing at the bit: "Let us help design a pilot. We could really show you what we could do differently." How quickly do you think we could get results back from a pilot like that, to prove that it works and to whet the appetite of Government?

Roy O'Shaughnessy: It will require additional resources. There is £120 million allocated for the Work and Health programme, which is one sixth of the size of the current Work Choice and Work programmes, and that was a reduction from previously. My view is that all the information is already collected as to how you will maximise that £120 million. That, at best, is going to be a 47.5% return rate—one out of two individuals—for about 25,000 people a year into employment. That is fantastic. Since 2011 the Shaw Trust alone has put 25,000 people with a disability into work. What I am saying is that if the ambition is to get 100,000 a year into work, that is going to take additional resources, and at the moment that seems to be outside the scope of the conversation.

- Q67 **Chair:** But not if you bring Steve's line in, is it?

Roy O'Shaughnessy: No.

Steve Sherry: Can I come in on that? My view is slightly different. I would call the pilots your new programmes. You would have a mix of different programmes across the country in different places. Then you would assess and evaluate those in a very rigorous way right from the start. It is going to take a couple of years to get the results of that. You cannot just have pilots; you should have some ambitious, radical and different programmes out there and see what really does work. Otherwise we will just be doing more of the same. If we do more of the same, we will get more of the same, which is not good enough. Therefore, I would use those pilots as that.

We have got to pause at the moment. There are some programmes that will go out there and will affect help for people with disabilities. All of the ESF joint funded money is now on hold, so there is a delay there. That will make a small start, and you can assess and evaluate some of those over the couple of years. I would strongly encourage the Work and Health programme not to be "one size fits all" right across the country; we should do some different things to see what really does make an impact in the country.

Peter Bacon: I entirely agree with that. It is extremely important that, whatever is commissioned, the evaluation is put front and centre. We have had this situation, which is very disappointing for all of us in the sector, whereby—this is my understanding—the Treasury has said, "We are going to give an extension of powers and scope to Jobcentre Plus because there is not the evidence base that justifies giving that much money to the outsourced sector." We have been doing what we have been doing for 26 years, and the Shaw Trust has for longer, probably. We have plenty of evidence base between us, so we have got a job as a sector to make sure



HOUSE OF COMMONS

that we are getting that stuff out there, and that we are speaking and influencing White and Green Papers.

Also, we can never let this situation happen again. We have spent billions of pounds on a programme, lots of people have been helped, and we have developed all sorts of good practice between organisations, yet the Treasury doesn't consider that to be sufficient evidence to fund us at even a sixth of the level at which we had been previously funded. That is a very disappointing outcome, which I think should be looked at again, particularly in light of the abandonment of deficit targets. That is where we are currently, and that cannot happen again.

Roy O'Shaughnessy: If I could make a clarification, the Green and White Papers are currently separate from the Work and Health programme in our understanding. In other words, the framework comes out in August and tenders have to be submitted in October, so when I say that my view is that those decisions have been made, certainly that is the word that we are getting, as a main player in this space. The Green Paper and the White Paper are a separate process from the current replacement of the Work Choice and Work programmes. I just say that as a clarification. That might not be factual, but that is the information we have.

Heidi Allen: In reality, it should be related really, shouldn't it?

Chair: Absolutely. Karen.

Q68 **Ms Buck:** Picking up Steve's point about the future jobs fund and a couple of the references you have made to Scandinavian and European experience, to what extent do you feel, deep in your hearts, that at some point, certainly in terms of entry into the workplace, the state does need to be an employer of last resort, one way or another? It is partly that answer, but also, where it is working well, such as in Scandinavia, is that the private sector, or is that the state and the third sector working together to find a job solution?

Roy O'Shaughnessy: It is a mixed economy. This relates to the whole supported business question, doesn't it, in the sense of whether the state is the last resort, or whether supported businesses are created? We would favour whatever model allows those who are really desperate to work, but whose disability precludes them from going into a regular channel, to have supported employment or certain jobs that are a bridge to the next one.

The idea that the person stays in the job five, 10, 15, 20, or 30 years provides huge problems, if 25 years down the road, suddenly those businesses are closed. The idea is to use supported businesses in a different way. In fact, we are looking at a new enterprise model that would be a conduit for this.

I think there are many pilots going on where the person would stay there anywhere from six months to two years, and then move on, and we would work with employers in the community. With our Shaw Education Trust—those are special needs schools—we have a commitment to every student that by the time they leave, they will have already had three or four work



HOUSE OF COMMONS

placements, they will know the employers in the area where they live, and an assessment will have been matched up between them and their parents. DWP has taken that on and is really helping us to try to develop that in an appropriate way.

Ultimately, there is a group of individuals who will need a first step up into employment to help them to get the skills to move to the next level. Some of those jobs will be only six hours a week. That is why we need to be innovative in how we do this. That is why we have created the community hubs in Hackney and Lewisham, where we use a completely different model of helping people to assess what they can do and what would be the right opportunity for them, and provide the advice and guidance in those roles. As has already been said, there are many models out there. We just need to scale them up, because unless we get them in batches of 10,000 or more, we are not actually going to tackle this problem.

Peter Bacon: I think the potential danger there of going down the state route—

Q69 **Ms Buck:** A mixed economy route.

Peter Bacon: A mixed economy route. The potential danger is where you have jobs that are a signifier of being somebody who can't compete in the open market for a job. That is a thing you need to be really careful of. On our specialist employability support contract, we work with employers. To say it is on the open market is not quite fair because, of course, we are working very closely with employers to advocate on people's behalf, but these are real jobs.

The confidence you get, the boost you get to your CV, and the demonstrating effect to an employer of employing somebody with a disability—potentially quite a severe one—into those jobs are massively important. The state solution is something that could be considered, but the thing to counter against that is any sort of look or feel that it is a non-job—that it is something that has been trumped up to help the employment figures. These need to be real jobs, fulfilling a real function and giving people the right amount of confidence. They need to be the right signifier, otherwise it is not worth it.

Q70 **Chair:** Steve, when you were employing under the Labour programme, did you think it was jobs of last resort or first resort?

Steve Sherry: On the future jobs fund?

Chair: Yes.

Steve Sherry: It was a first opportunity for most of those people. They came in and arrived just about the same time I did. I took over a charity that was full of people about my age, though some of them were a bit younger.

To have young graduates—in the main, but it was mixed—coming in for six months just showed everyone in the organisation what could be done.



HOUSE OF COMMONS

I think the same would apply to people with disabilities for organisations, if you had that sort of programme. Suddenly people's eyes would wake up, culturally, right across the organisation. You would not need to have lots of documentation, letters and an educational brief; it would just happen and you would see it. I think that would work.

I agree with Peter that you don't want to be trumping up jobs, but I don't think the social enterprises that exist today are like that. Certainly, if you come into our social enterprise, we have the fastest-growing road sign company in the country. People come into work, and they know if they are making a profit or a loss. They know what they have got to do, and they do it, or they are disappointed like anyone else is.

The good thing about some state support for that is that 60% of our people with disabilities are on factory grants, and they progress through, but actually, that creates another 40% of our people with disabilities coming into that environment who are not supported by the state; if you walked around, you wouldn't notice, in the main, who has learning difficulties or who has physical difficulties, or whatever their disabilities are. I think you can create that, and the social enterprise route is a very strong one, because Government spend a lot of money on a lot of things. That has to go down through the big companies and supply chains, and it is quite easy, he says, to get that factored into the procurement process. It is not easy at all, of course—you have to work hard at it—but it can work, and you get more for your pound then.

Q71 John Glen: I have a question for Roy and Peter; Roy did touch on this a bit. In terms of the delays to the White or Green Paper and its impact on the ability of the sector to prepare for the Work and Health programme, can you say a bit more about your understanding? I realise that there is tension, and you want to be a constructive partner with Government, but we also need to get to the bottom of how this delay affects your planning, and the ambiguity over the relationship with the contracts you have and where you may look in the future. Can you say a bit more on that, as candidly as you can?

Roy O'Shaughnessy: The Shaw Trust is probably in an absolutely unique position, because we have had contracts with DWP for the last 30 years and we are the largest third-sector organisation with contracts with DWP—I say that at the beginning—so we have almost unlimited access in the most positive way to the officials in DWP and to the Ministers. My experience, of course, is of an incredibly receptive group of individuals trying to really help deliver on the outcomes.

Our single biggest risk is the uncertainty about what the programme is going to be, when it is going to start, and what that means for the customers, let alone the staff, because not only do we want to deliver an excellent service for our customers, but we want to provide some certainty to our staff. There is uncertainty about when the programme will start, and whether there will be a gap between the current and new programmes. There are all sorts of TUPE and other issues, let alone the issue of how we maintain things for the clients. Because we have one of



HOUSE OF COMMONS

the largest third-sector supply chains in the country, we know that if there is a three to six-month lag, that would be devastating for almost all our third-sector organisations that are in the supply chain.

Trying to get that mix, with officials who are under incredible pressure, trying to come up with a programme that makes sense and move that forward, is our single biggest risk. The second biggest risk is that we currently have about £45 million of EU funding that decisions were going to be made on. That is generally match funding for the programmes that we are talking about. It is not just about the funding from DWP itself; it is match funding from the EU, and that is now uncertain.

Q72 John Glen: On that specific point, that is not a short-term concern for you, is it? How does it specifically affect things? I feel like there is a tendency to say, "Everything is uncertain", and we know that for at least two years—

Roy O'Shaughnessy: Sorry, I can clarify that. Currently, £10 million a week comes into social programmes from the EU, with £5 million of that coming directly to programmes that we would be related to.

Q73 Chair: But you expect that to continue, don't you?

John Glen: For at least two years.

Roy O'Shaughnessy: For two years, but the point is that two years is nothing. We don't operate in contract cycles; we operate in changing a person's life in a community, and investing in a community as a charity. That is why I said at the beginning that we are a unique animal in this, because we put as much money back into the community as we receive from Government.

Q74 John Glen: Just on that, given the uncertainties in Government generally, and the changes in emphasis in programmes, although I accept that you are investing in people's lives for the long term, you have always had to deal with the ambiguities in programmes.

Roy O'Shaughnessy: Completely, but what is different this time is that we are completely committed to transforming the lives of a million people with a disability. The existing funding and programmes say that they will cover x number of people. Our goal and commitment, and the only reason we exist as a charity—we would close tomorrow if we had done it—is to help those 1 million people who want to work to get into employment.

In the short term, as I said at the beginning, the risk is fairly quantified for us. If it is a six or 12-month delay, we are big enough to see that through, but a supply chain will have much more difficulty in that. If we really want to invest in people with specialist issues, challenges and barriers, that will take a lot more money. The example of £20,000 has been used. If there are six or eight different specialities, one person's route into employment might only cost £600, where another costs another amount. At the moment, that kind of flexibility of specialist provision is not being seen as part of what replaces the existing programmes.



HOUSE OF COMMONS

Peter Bacon: The specialist stuff sits elsewhere in the system. From our perspective, we are an SME. We do contracts for Roy—for Shaw Trust—albeit that that is not a huge part of what we do, percentage-wise. It is really difficult. The reality is that uncertainty puts you in a place where it gets very hard to think about long-term objectives. You are thinking about how you keep your good staff, because you cannot give them certainty over what is coming next. There are plenty of other jobs out there, and these are skilled, committed people. Most employers would love to have them, so how do you keep hold of your staff? How do you keep your balance sheet in the right place?

We know that whatever comes out, we will probably have a pretty heavy working capital requirement. Whether you are a prime contractor or subcontractor, there will be a payment by results-type model—we are 99% sure of that—which will require a lot of money, in terms of working capital, from our perspective. Do we continue to invest in the things we are currently doing, like the specialist employability support contracts, which we are really gunning for, to achieve the results we want to, or do we hold stuff back in the knowledge that we are going to need that money in the future? It is a really difficult situation to be in.

- Q75 **Chair:** Should you not go on to the front foot? We know that it costs us to be part of the EU. That cost will cease. The Brexit team clearly will be negotiating this area of withdrawal. Should you not be thinking of going to the Brexit team and saying, “At the end of this period, we would expect more match funding”?

Peter Bacon: That is absolutely true, but it does not necessarily solve the short-term delay issue we have.

- Q76 **Chair:** No, but given that the Government changed the programme after the election, this happens all the time, doesn't it?

Peter Bacon: It absolutely does. I suppose the issue at the moment is that the Work programme is receiving fewer and fewer flows. As a vehicle for generating revenue into our business, it is less and less important. We don't know quite what is coming next, and we don't know what order of magnitude of working capital we are going to require. We don't know exactly what number of staff we will need to keep on. We don't know where we will be delivering.

- Q77 **Chair:** What I am pressing on you, Peter, is that there is an opportunity for expansion here, isn't there?

Peter Bacon: I think in the long term, that is true.

- Q78 **Chair:** If you can present what you have done and a case for claiming some of the rebate to add to your work, that ought to be an argument that would be difficult to resist.

Peter Bacon: That is absolutely true. That is why we continue to invest. We have made an active choice to continue to do that, particularly in the bit of our business where we are operating what we call our circle of support model, which is where we seek to integrate multiple Government



HOUSE OF COMMONS

services for the purposes of helping those with very complex multiple disabilities. We have three paid roles attached to each case load. It is a relatively expensive model. It is £8,000 per job outcome, more or less, so it is in the region of what Steve was talking about.

- Q79 **Chair:** Given that there could be—who knows?—more money here as a result of Brexit, I think that one of the cases you and we should be putting forward is for some of that rebate to fund the programmes you have been suggesting.

Steve Sherry: It comes back partly to the point raised earlier about visibility, openness and transparency on the analysis that has been done at Jobcentre Plus vis-à-vis the outsourcing. We all have our figures and stats; we have not seen the Jobcentre Plus figures. There is a grave danger—it seemed to be a mood, from the little we did hear from officials in Birmingham—that any uplift would be going into the jobcentres, rather than to outsourcing. That is an inherent danger in this. If you do not get that information out into the public domain and compare apples with apples, you have a problem in how to go forward.

Chair: Sorry John, I interrupted.

- Q80 **John Glen:** I think you have answered the question, really. In essence, the ambiguity is not good, given your long-term aspirations, but there is an opportunity, perhaps, if you can make the case strongly over the next couple of years.

Roy O'Shaughnessy: We have no shortage of optimism. It is purely ensuring that we deliver to the clients, because they are real people. That is the only concern we would have.

Chair: Thank you very much. We are grateful. That was a great session.

Examination of witnesses

Witnesses: Mark Elliott, Danielle Hamm, Diane Lightfoot and Karen Walker-Bone.

- Q81 **Chair:** Welcome. Mark, as you look the most ready, would you identify yourself for the record? We will go down the line and then start the questions.

Mark Elliott: Good morning. My name is Mark Elliott and I am director of development for Leonard Cheshire Disability. We are primarily a major social care provider but, as a pan-disability charity, we have a lot of support services in employment.

Danielle Hamm: I am Danielle Hamm. I am the associate director of campaigns and policy at Rethink Mental Illness. We are a mental health charity, focusing mainly on people living with the most severe and enduring mental illnesses.

Diane Lightfoot: I am Diane Lightfoot. I am director of policy and communications at United Response, which is a national charity that provides a range of support to disabled people—predominantly people with



HOUSE OF COMMONS

learning disabilities and autism. We run some specialist employment services and work to support people into jobs as an outcome in our general services.

Karen Walker-Bone: I am Karen Walker-Bone. I represent Arthritis Research UK, which is a charity dedicated to reducing the impact of arthritis on people's lives. I am director of the national MRC Centre for Musculoskeletal Health and Work, and a clinical rheumatologist.

Q82 **Heidi Allen:** I did not notice how many of you were here for the last session. We are essentially looking at whether the Government's ambition is achievable. That is my first question. Are the targets and the timescales achievable? If it is not working, what does work?

Mark Elliott: As was said earlier, it is extremely ambitious. We support the ambition but have sincere doubts as to whether it is achievable. Having said that, we would be concerned if the target was regarded as the only outcome because the journey is important as well. Any improvement to the status quo—and we need significant improvement—has to be a good thing. We would really like to see the million objective—if it is missed in 2020—stay as an objective for society to achieve.

Q83 **Heidi Allen:** Any thoughts as to whether the approach is working or what would work better?

Mark Elliott: Again, we heard in the earlier session that an awful lot of good work is being carried out in disparate ways. The evidence is compelling on how to join it up. Between Government and civil society we seem to lack the ability to join it up effectively. There is a lot of good work and there are a lot of good programmes, and we heard a lot about pilots. If we distil the basic tenet that this is really all about supporting somebody's journey into work and a career—the basic principles are relatively straightforward. Enabling it can be so, but the way it is structured today is incredibly challenging for the individual, so we do not always achieve the most effective outcomes. For example, we heard earlier that Work Choice is effective. It does work; it has worked; and it has proved to be a valuable programme. But if it is going to shrink in size, I am not sure how the two tenets of it, which are specialism and localism—without them, it is really difficult to see how it is going to actually happen.

Q84 **Chair:** Who would like to add to that?

Danielle Hamm: From a mental health perspective, we welcome the target. We welcome the ambition—we think this is very ambitious. But we also think that if it is going to work, it has to work for people living with mental illness, because they consistently have the poorest outcomes of any people living with disability. For certain diagnoses, the figure is really low—it is 8% in the case of people living with schizophrenia. Having said that, we know that people with mental illness want to work, and we have a very good evidence-based model, Individual Placement and Support, which is proven to work with this group, whereas the generic Work programme has very poor outcomes for people with mental illness.



HOUSE OF COMMONS

We think that if the Work and Health programme is to succeed for people with mental illness, it needs to focus on the evidence base; it needs to implement Individual Placement and Support and other evidence-based models. You have mentioned Work Choice, which also has very good outcomes for people with mental illness. It is really a question of focusing in on the evidence base. There is a strong one, and this has also proved to be extremely cost-effective. Individual Placement and Support costs around £2,700 per individual. That is a one-off cost; it is not repeated annually. Research shows that there is a saving to the health system of around £3,000 per year for each year the individual is kept in employment. So that is where we would like to see the focus of the Work programme.

Diane Lightfoot: I am answering this from the perspective of working specifically with people with learning disabilities and autism. Although the disability employment gap is very well known, there is an additional and much steeper gap, in that only 6.8% of people with a learning disability are in work; the figure is 15% for people with autism. Those figures have not changed for 20 years, so like everyone else here, we would absolutely love the gap to be halved, but whether that is realistic with current resources and programmes is debatable.

There have been some really positive things. The Maynard review of apprenticeships is a step in the right direction. We find that most people in this group want to work and can work, but what works for them is targeted, specialist support, so I am echoing the comments about Work Choice. One of the things that we would like to see and that we included in a submission last year to the DWP is increasing capacity. Currently, Work Choice is capped; it is very over-subscribed. It could be at least doubled. Similarly, the new Specialist Employability Support programme, which is intended for people further from the labour market, which is great, has a very small amount of capacity, so again, people who could get on to that are denied the opportunity because there just aren't the places. We would like to see much greater funding, provision and capacity.

There is also a lack of awareness in some jobcentres among Jobcentre Plus staff of the programmes that are available. We have found that our staff on the ground are having to tell them what is available, so there is an issue about awareness of the different options for people, which links to the need for people who understand learning disability, and indeed all kinds of disability, within the jobcentre so that they can triage appropriately in the first place.

The other things for us include, in particular, looking at the 16-hour rule. Lots of the people we work with can work, but not yet, or perhaps not ever, for 16 hours. But they get huge benefits from working, including self-esteem, confidence, safeguarding, having a circle of support and all sorts of other outcomes that are not currently measured. So we would like to see a programme that recognises and rewards those sorts of outcomes and people moving towards work—distance travelled, if you like—and that looks at the different savings elsewhere in the system.

Anecdotally, we know that people in work are healthier and likely to cost the NHS less. We know that people in work are less likely to offend—to end up in the criminal justice system. So something that could quantify that and make the case would be really helpful.

- Q85 **Chair:** Diane, on the 16 hours, are you saying that there should be general flexibility, or that people with disabilities should be able to exercise that flexibility?

Diane Lightfoot: I do not think I am qualified to comment on people other than our client group, but we know that having to work 16 hours is often a real barrier. There are various examples of people who start one four-hour shift and then move up to eight hours in time and may be able to do 16. But if they are forced to do 16 at the beginning, in order to come off benefits, that could be hugely stressful and end up with the placement failing. Being more flexible about what constitutes an outcome, and therefore what support can be given, is a real issue.

Heidi Allen: Can I make an immediate observation on that? The 16 hours is the old benefits world, isn't it? That is what we should be moving away from in universal credit, where the curve is smoother and so on. It just occurred to me: is there anything around the roll-out of universal credit that we can influence to get people with disabilities on it sooner?

Chair: I would have thought that there was ample opportunity because there is not much roll-out, is there?

John Glen: There will be very rapidly.

Chair: We live in hope on this.

Heidi Allen: But if that is one of the barriers, that is really interesting.

- Q86 **Chair:** This is where the balance comes between a person's capabilities and what their work coach may think they actually can do. If we get the work coaches right, they ought to be saying, "Three hours is great. Three hours are better than no hours. We don't have to force you up quickly to the 16 hours." For some claimants that is what you want to do. It is about discernment, isn't it? Karen, would you like to come in on this?

Karen Walker-Bone: Of course, we all seek the same thing. We all seek flexibility and recognition that the individual's needs vary and that one size does not fit all in this place. The choice of programmes and the opportunity for different types of needs to be met is what we vitally need. In my world, it is much more physical; it is much more around physical capability. But we are not talking about wheelchairs; we are talking about simple things. If a patient wakes up and has two hours of stiff joints in the morning, they can't easily be on shift at 7am. A little bit of flexibility about their start time can empower them to be fully employed all day. It is just flexibility that is required.

- Q87 **Chair:** Coming back to Heidi's point, given that the roll-out is slow, it does give us a huge opportunity with the work coaches to acquire those skills,



doesn't it?

Karen Walker-Bone: Most definitely, particularly if you have got enough of them with the right skills and a lot of specialist support. A lot of the work coaches haven't got much skill around the healthcare needs of the individuals. We could really improve that and give them more back-up. They could have more access to specialist input. These are highly specialised people in the third sector who could really help them, but there are also people in healthcare who could help.

Chair: There is a job, therefore, for you educating the work coaches, isn't there? Heidi, do you want to go on?

Heidi Allen: No, that's fine. Thank you.

Diane Lightfoot: Could I say one more thing on the 16-hour rule? We have talked about it from the perspective of the barrier to the jobseeker. However, going back to the previous panel and speaking with a provider hat on, the other real issue is that current programmes—the Work programme specifically—do not pay for outcomes of a job that is under 16 hours. So if somebody gets a job for eight hours—and the provider may have worked with them for several months—they get nothing. So there is no incentive for the provider to do that and to let somebody work at an amount that is good for them. That is the other side.

Q88 **Ms Buck:** I want to ask you about a perennial problem. How do you, with limited resources, strike the balance between getting people into work who are closer to the labour market and reaching people who are further away, including your point about measuring progress in steps towards work? Because with a fixed sum of money you can't really do both. How do you do it and is the balance right now? I am going to ask you about the capacity of Jobcentre Plus to do it. First, how do you do it? Is the balance right, and is there a way of striking that balance?

Karen Walker-Bone: That is a really important point, Karen. With muscular-skeletal disorders, if you take a self-employed painter and decorator who gets a shoulder problem, he needs immediate, quick physiotherapy, provided by his health service, and can be back at work in days. In fact, he waits two weeks for an appointment with his GP and six to eight weeks for an appointment with a physiotherapist. Meanwhile, he is starting to become chronically affected. Those short-term matters can be quickly filled but we must not lose sight of the long-term unemployed and the more complex needs. They are just as important. Of course, they will need a bigger share per person of the budget but they are vital.

Q89 **Ms Buck:** That is fine. I am interested to know what other people are saying. Let's just say that we all agree with that and that we agree that there is a need to keep sight of those who are further away from the market. What does that actually mean in practice? How are those decisions made—and how should they be made—as to where you allocate your resources to keep those two things in balance?

Diane Lightfoot: That is a very important question, and pretty much impossible to answer.

Ms Buck: I think so too.

Diane Lightfoot: Clearly you have to have both. This sounds like a glib answer but it is not meant to be: there simply have to be more resources. Something that looks more broadly at the wider public purse and that makes calculations about a lifetime cost of someone being on benefits versus a much shorter-term, more expensive intervention that works is well worth looking at. It is also about ensuring that people are going on the right programmes and that money is not wasted by mandating people to go on programmes that are never going to work. It needs to be a lot more targeted and segmented in terms of people's needs.

Q90 **Ms Buck:** Before I hear from the other two witnesses, I am still trying to drill down into this. Aspirationally, it is absolutely right to keep the two things in mind. Practically, it is not really possible. So what do we do? Will it be a question of saying, "Let's subdivide the resource we have" so that a certain amount of time and resource go into the short-term solutions and a certain amount go into what is likely to be long process of recovery?

Mark Elliott indicated dissent.

Ms Buck: You are shaking your head, Mark, which is good.

Mark Elliott: It is really difficult. It is a risky place to go when you start dividing people up like that. Everybody is an individual and the fundamental premise must be equal opportunity. Perhaps the starting point is services for younger people. For example, careers advice for people with special needs and disabilities is patchy and almost non-existent. If you can start the life journey from school age through to college, you can build a career opportunity for a young person and stop them falling into the gap in the first place. Yes, it is a longer journey and it will take some time to influence big numbers of people, but it is more difficult when somebody is in that gap to get them back into a long-term job, but one way is to start with younger people. You start matching abilities, skills and ambition at an early age so that the trajectory is known and support goes all the way through into work.

Once you have started on that, the other way is to have interventions that are permanently available. For example, the trajectory of need for individuals with mental health needs is variable. They may be fine for a period of time but then they may need an intervention that is short-term and vital. Perhaps somebody with a shoulder injury is the same. If that is not available at that point in time, you have started down a trajectory and it is difficult to pick it up again. There are points along the journey that can sustain a career opportunity as opposed to a job. We need to try to change the language. We want to create career opportunities, not jobs. Even if it is six hours a week, that is a career.



Danielle Hamm: From the perspective of people living with mental illness, any crude divide could be counterproductive. Mental illness is not straightforward. It is characterised by fluctuating conditions and a fluctuating level of illness. The concept of proximity to the labour market is not straightforward. But there are things that we know and there is an evidence base that we can build on.

The evidence base from individual placement support suggests that the diagnosis, and indeed severity, of mental illness is not the most important indicator of success; it is volition—the individual’s voluntary participation in the scheme and the personalised, tailored support that works with those individual preferences and has the flexibility to accommodate them. Key to that is that collocation with health. The two are being viewed in partnership and as part of the recovery journey. That is where all the evidence lies. That is coupled with the fact that we know that people with mental illness want to work.

We did a survey of our members on ESA-WRAG ahead of the Budget last year, and 67% of that cohort said that they wanted to work or were actively looking for work. We have that volition and the evidence base to work with. While I cannot give you the precise solutions and balance, that demonstrates that it is critical we do not divide it crudely. If we do, there are two risks. We have talked about volition but there will always be people who are too sick, and we do not want to risk pushing people in too soon, against their will, and mandating programmes that are not suitable. Equally, however, we need to avoid the risk of blocking those who are willing and able and want to work from accessing the high-quality support that we know works.

Q91 **Ms Buck:** That is very helpful. Can each of you give me one intervention that you think would be valuable? We may have to come back to this, but do you know what scale of investment we would need to make to resolve this issue?

Karen Walker-Bone: Personally, my intervention would be at the health end. We have traditionally separated health from the Department for Work and Pensions. We don’t even measure whether an individual wants to work when they come to see their doctor about something. We don’t consider their waiting time and their lost working time while we put them on a waiting list for this scan or that test. I would make health more responsible for work.

Chair: Combine them, yes. Diane?

Diane Lightfoot: Raising awareness of what support is out there—specifically, making access to work support easier to access, because it is quite cumbersome at the moment, and providing support to the employer and employee to access that. They are currently left to their own devices. We need to simplify that and extend it, so that it can include support for someone to go to or prepare for an interview. Often that is a real barrier.



HOUSE OF COMMONS

Danielle Hamm: I would absolutely echo those two points around health and targeting access to work. Making sure that interventions are co-produced with the individuals concerned is critical to getting it right. Again, I urge sticking with the evidence base of where we know things work for people with mental illness.

Mark Elliott: I agree that health is very important, but there are other elements to it that are co-ordinated. It is never one single solution. It may be health. It may be social care. If the social care package fails, it is very difficult to progress on the journey. There is housing. There are a whole lot of issues that are preventive but need not be so.

I agree on access to work. One of the barriers is that it is not portable. If you find yourself in a job and you get your access to work support but want to progress, and you have an opportunity to procure another job, you will often stay in that job because you are very concerned that your access to work entitlement is not portable, even though it is the same job and the same access to work support that you need. You have to go back through the system. We had a very talented young lady working with us for a short period. She gave us four months-worth of work, luckily, but she would not have been able to do that because she was moving from one job to another and it took four months for her access to work transfer to be enabled. She was going to work for a local authority. That would make a significant difference in terms of people accessing support.

Q92 **Jeremy Quin:** Diane referred to people not only preparing for but physically travelling to interviews. ESA-WRAG and JSA are going to be aligned from next year, which may have consequences. What are your thoughts on whether that will impact on the people about whom we are talking?

Diane Lightfoot: Unfortunately we are sure that it will impact. We, like probably every other charity supporting people, lobbied hard against that cut. The people we are typically working to support into work are very badly off. Some say they cannot afford to have internet access or heating, let alone an outfit for an interview or the cost to get there. It is a very real concern, hence the suggestion around access to work. If there are other ways of looking at benefits that mean people can afford those things, that is really important. Equally, it comes back to making the support someone gets to find work really effective. If it is just a cut but there is no improvement in the support someone gets, that is not going to work very well.

Q93 **Jeremy Quin:** Would any others like to elaborate on how we can mitigate the impact of that change?

Karen Walker-Bone: We just oppose the change, too. We are very concerned about it. We think it is going to push people further from the workplace. The Disability Benefits Consortium, of which Arthritis Research UK is a member, are all convinced that it is going to make things worse, not better.

Q94 **Jeremy Quin:** We won't discuss that now, but it is noted on the record.



HOUSE OF COMMONS

Are there ways that it could be mitigated? Are there things that could be done to assist in terms of ensuring that people get the opportunities to go to those interviews and to be helped into employment?

Danielle Hamm: I would like to echo the points about mental illness and put it on the record that we also oppose the cuts. We are very concerned that it is going to push people further away from work, but your question is on mitigation.

We think that, in order to mitigate the risks, you need to look at the whole journey from assessment to employment support. It makes it ever more essential that the work capability assessment is fit for purpose. We know from multiple reviews and the recent upper tribunal ruling that the work capability assessment has put people with mental illness at a substantial disadvantage, primarily on the requirement to compile their own evidence. To our knowledge, the recommendation that the DWP introduce pilots to mitigate some of these effects has not happened yet. We think those pilots are essential, and getting the work capability assessment fit for purpose is going to be essential when we are categorising people. Once the cuts come into place, it makes it ever more important that that is right.

Secondly, on mitigating the impact, we know that sanctions are currently disproportionate for people with mental illness. Research from Mind shows that 58% of sanctions of people on ESA-WRAG were received by people with mental health problems, which indicates, by deduction, that there is a lack of understanding of people's day-to-day experience of living with mental illness. We recommend a review of sanctions and conditionalities for this group.

Finally, coming on to employment support, it is about the mental illness expertise of people working in Jobcentre Plus and work coaches. It is then about really focusing on the evidence base and ensuring that the personalised, flexible support to help people get back into work is tailored to the condition and the individual.

- Q95 **Heidi Allen:** Given the current economic climate, et cetera, do you think it will be enough to ask the Government to freeze the ESA-WRAG cuts until this White Paper is out there? That is a lot of the reason why people voted for it. I heard you come up with some ideas on how we could mitigate it, such as looking again at the work capability assessment and the conditionalities, but that is all stuff that should be in the White Paper, isn't it? It is a blank sheet of paper on how we make life better. I suppose this is an academic question, but is it your view that we should wait until the White Paper is out before we cut it?

All witnesses indicated assent.

- Q96 **Steve McCabe:** I think the big challenge is to help people get a job and then to help them hang on to it. In that sense, I am interested in how effective the support and assistance that you provide is. I am thinking particularly about the Access to Work fund. You have talked about portability and the issue of making it available at interview stage. I am thinking about that and the Fit for Work support. Can you tell us how



HOUSE OF COMMONS

useful that is if you are trying to get a job or hang on to a job? What is wrong with it that could be improved to make it more effective?

Mark Elliott: I think it is the way they connect together. Disabled people tell us that, on the journey they have to make, perhaps the path is visible but that making those steps is incredibly challenging. What are meant to be steps of support can often be barriers. On Access to Work, the fact that it is underutilised and not well known is a significant issue. It is a great programme but it is not well used. It is very difficult to access—it is not accessible.

As I mentioned earlier, I think it is the package. Your housing, your access to social services, your individual specialist advice, and your route to the jobcentre are very disconnected. You start your journey and by the time you have done three or four steps, it is really difficult to get to the other side; lots of people fall by the wayside. That's why Work Choice has worked. The mentorship process is effective, so the person has a guide, a mentor, through that journey—through Fit for Work, and/or Work Choice, and/or Access to Work—to make those things happen. What needs to happen is that, as in the case of any recruitment journey, the disabled person needs to have the opportunity to sit in front of their employer, with the skills they have and the work they want to do, and to be able to give themselves the opportunity to procure that work. If the journey enables that, it can, and is, very successful.

The other side of the equation is the employer, and we talked a bit earlier about awareness and incentives. Telling people is one thing, but doing it is another. What I mean by that is that through our student placement programme, whereby we marry together, effectively, students at university with major corporates for work experience, we have ample evidence of the impact on both sides of the equation. When the employer comes into the room for a specialist assessment of these potential candidates, they are overwhelmed with the talent in the room and equally, when the people get into work, they have a very profound effect on those who work with them. The employer understands that it is a talent that has arrived—not a problem that has arrived—and the whole issue of working with somebody with a disability is not complex or difficult. It is very rewarding and they produce excellent work and contribute powerfully to the organisation. If we can create a journey that has many more of those examples, employers will join in. I think it was said earlier that employers don't set up not to employ disabled people; the system does not give them the opportunities to hire a talented person who can fill a role for them. That is all we are asking employers to do, and they will, if we present the employer with that opportunity, but the mechanisms to do it need to be joined up.

Chair: Who wishes to add to that?

Diane Lightfoot: The issues with Access to Work are about how easy it is to get and when you can get it. Somebody could be in a position where they need help to get to the interview or help to do the interview but they can't get that, so it is a vicious circle for not getting the job. If they get



the job, they are not guaranteed to get the support, so it is likely to put the employer off because they don't know that they will get it. It is also very cumbersome, so it is left to the employee and the employer to apply direct to DWP. The employee has to get three different quotes for different bits of equipment. It is incredibly difficult and if you factor in then whether you are talking about someone with a learning disability, it is a big, big barrier. It seems to me that part of an initial referral and a triage at the jobcentre should be asking, "When you get a job, what type of job do you want? And what support will you need?" Then you can start the process and you have, in principle, "I will need a job coach and I need this piece of adapted equipment," so that someone can go to an interview and say, "I know I need this support but look, I've got this agreement already in principle that if I am lucky enough to get this job with you, I will be able to do it." I think that is really important.

- Q97 **Steve McCabe:** Are you saying that we have ended up in a situation where—this is particularly about Access to Work—we are treating it like a conventional social security benefit, where you have to jump through umpteen hoops and there are all sorts of attempts to push you out of the way and make sure you are not eligible, whereas if it was treated as, "This is the main assistance support for work," we would get much a higher uptake? Is that a reasonable way to characterise it?

Diane Lightfoot: Yes, and to echo the earlier point, when it works it is brilliant, but it just needs to be easier to get.

Karen Walker-Bone: I was going to say that when it works it is brilliant. A lot of people don't know about it, and a lot of employers don't know about it. We could do a lot more to make people much more aware of it.

- Q98 **Steve McCabe:** I was told a terrible story by a constituent of mine—I was thinking about your point earlier about how people get awareness of it. This chap is deaf, and I know there are particular issues about the way it has been capped and the effect on interpreters. He said it wasn't possible for him to make a representation online; he had to phone in. The fact that he pointed out, "Well, I'm deaf. There is a slight difficulty here," seemed to go straight over the head of the administration. That is one account that I was given. Is that typical of the sort of thing, in terms of a rather thoughtless way of using this system?

Mark Elliott: I believe that is a good example of what can happen. As I said, the journey to work, with good intent from both parties, trips up due to systematic issues. Although the good will and the systems are in place, the journey is intolerable and impractical. The mentor approach, the special adviser approach, can achieve an awful lot in assisting that journey and it can vary in intensity. There would be a period of intense support, but then withdrawal while the job is proven to be satisfactory, but if there is a health crisis the intervention can come back again. It is a maze, and it is a very difficult maze for lots of people. One thing like that for that person would stop the journey.



Danielle Hamm: I think that a really important way of addressing that is to co-produce. In designing adjustments we need to be working with the people who are experiencing the disabilities. That is the way we are going to make it work. We would never have got to that position if we had an individual who was deaf as part of the team designing that. From our perspective, personally I do not actually have much evidence around this. What we do know is that it is not working for people with mental illness. There is such low uptake—around 3.2%—for people with mental illness. Like I said, my main point is around making it work through co-production and also, using us as a sector to get the message out there. We can help with that as well as helping with the co-production.

Q99 **Steve McCabe:** You talked about a coach, mentor, or support worker or whatever, and presumably that applies to getting the Access to Work and the Fit for Work service. You are saying that the best way to do this is to identify someone at the outset who would work with you and coach you through the stages. If the Government focused on that, rather than on this range of programmes, would that be worth it, do you think?

Mark Elliott: I think so, because we heard in the earlier session that there are a lot of programmes that are being delivered in a variety of different ways, and they are proven to be effective. The knowledge and the research is available for us all to collect together, but it needs to be joined up and put together in a systematic way, so that all that good work is co-ordinated to have good outcomes. It is about communication and awareness, and perhaps about incentives, but they can actually result in perverse incentives. Untangling the maze is probably the single most difficult challenge. To get from housing to health, to social care, to Access to Work, to Fit for Work, to the jobcentre is a hard journey.

Q100 **Heidi Allen:** Every time I am about to say something, you make me think of something else, but I will try to control myself. Sorry, Frank. A quick question on Access to Work. Broadly, people who find it think it is great. By the way, on the issue of deafness, I am pretty certain the Disability Minister is trialling a new system at the moment that will be online, so that should be coming soon. Should Access to Work also extend to access to work experience and access to interviews? It occurs to me that Access to Work is a bit like fuel: sticking it in your car when you have reached your destination is a bit of a waste of time, because you need it to get there. Would you support that?

Karen Walker-Bone: Yes, I couldn't agree more. Absolutely.

Q101 **Chair:** It is not a big reform to make, either, is it?

Karen Walker-Bone: No.

Q102 **John Glen:** Could you describe your view of what employers' most prevalent misconceptions are about people with disabilities? Respecting the fact that you have different perspectives, I think it would be really useful to get your views on the record. Then perhaps you could say what Government could do to challenge those misconceptions. We have touched on that a little bit in places, but it would be good if you could



answer that directly now.

Chair: Why don't you start, Karen?

Karen Walker-Bone: I think that is a brilliant question. To be honest, with musculoskeletal disorders, there are generally misconceptions out there in the whole of the community. People think of little old ladies with arthritis, and that is about as much as they tend to understand about it. In fact, all of us get musculoskeletal disorders. I would be amazed if there is a single person here who has not had back pain for a day or two at some stage in their life. They are a common problem. Most people can work very effectively with them, but they just need flexibility, support and understanding. They want to work—it is not a difficult one—but they need flexibility.

Q103 **John Glen:** That particular case covers a multitude of conditions. You spoke earlier about somebody needing a couple of hours to warm up to be able to work, but then being able to work a full day. Equally, there are people who appear to have intermittent problems. It is quite challenging for an employer to come to terms with the lack of reliability. That is a rational, reasonable conclusion for them to draw.

Karen Walker-Bone: You are absolutely spot on. It is like any other fluctuating condition: you can have unpredictable phases. Having cared over many years for patients with long-term conditions who remain in work, it is interesting to see how amazing the relationship can become between a good employer and a good employee. They tend to be flexible about making up their work, provided they feel supported by that employer. If they have to go into hospital for a period of time, they are amazingly good about making sure their work gets covered—and, indeed, done when they are able to do it. You get amazing loyalty and reduced turnover if you provide that sort of support.

Diane Lightfoot: Similarly, I would say that the biggest misconceptions are a lack of understanding, and fear. Employers worry that they will be saddled with somebody who cannot do the job, and that there will not be any support. It goes back to the importance of targeted, local, specialist support, rather than a big Government communications campaign.

As for saying to an employer, "Would you employ a disabled person?", you would not say to them, "Would you employ a person?". They would say, "Who do you want me to employ, and for what job?". We find that when we work intensively with a jobseeker and a local employer—SMEs are often really good and flexible—we say, "Here's this person. She has these skills. We know you are finding this job difficult to fill," and it is a completely different conversation. It goes back to that targeted, local support.

It is often not known what Access to Work can fund. People think of things like adapted computers, equipment or chairs or whatever, but it can pay for a job coach to go in for a couple of hours of week, to check in with the employee to see if they are okay, and with the employer to see whether



HOUSE OF COMMONS

there are any issues. Just knowing that there is that support network is often the key.

Danielle Hamm: I will echo some points that have been made. There are a lot of wider misconceptions about people living with mental illness in the wider community—that people with mental health conditions are unreliable and cannot manage stress. That is echoed in the workplace, and that can manifest itself as stigma and discrimination. There are particular misconceptions among employers about what reasonable adjustments look like for people with mental health problems.

The issue of stigma is widely recognised, and that is why we, among others, are funded by the Government to run the Time to Change national anti-discrimination and stigma programme. A lot of that is targeted at employers, for good reason. About half of people do not feel able to talk to their employer about their mental health condition. That is reinforced in surveys of business leaders, who admit to overwhelming prejudice regarding people with mental illness.

Through Time to Change, we have found that if you support employers in a fairly light-touch way—demystifying, de-stigmatising, giving examples of what other people are doing and giving support around co-production—it can go a huge way. We have a Time to Change pledge, which employers sign up to. All that requires them to do is go through a point-by-point plan of how they are going to address mental health stigma and discrimination in the workplace. We do not tell them what to do. We give good examples and support, and particularly encourage co-production. They come up with the plan.

Examples include an NHS trust that ensured that all new managers have to go through training that included essential knowledge of mental health management. That will clearly make a difference. The DWP, in fact, is signed up to the Time to Change pledge and has used staff surveys and training events to try to tackle stigma and discrimination. There is a big piece of work being done that can be rolled out. We are very happy to share the learning on that.

Particularly on understanding around reasonable adjustments, there is fear, and part of that is around discrimination. If we are not talking about mental health, how can we understand that sometimes all people need is a quiet space in the office that they have permission to go to a few times throughout the day? People living with anxiety disorders often find the rush hour particularly stressful, so they might need to start work later. I don't want to over-simplify it, but in a lot of cases there are really quite simple things that employers can do, but they are scared of it and don't understand it. The more we can do to destigmatise—

Q104 **John Glen:** The summary of that would be that on the whole, there is an exaggeration of the barrier to employability, and an underestimation of how small the intervention and support need to be to enable successful employment for disabled people.



HOUSE OF COMMONS

Danielle Hamm: Absolutely. As you might expect, as a mental health charity, we employ a large number of people with mental illness. I work in a department of 60 people. We have had three people on sick leave in the last year, and none of those were through mental health disorders. We have something brilliant called the wellness recovery action plan, which is employer-led and is not just for people with mental illness. It is part of the induction programme, with people identifying their stress points and adjustments they need. That is routine; it is not singled out for people with mental illness. A lot of things can be done, and there is evidence out there.

Q105 **Chair:** Mark, have you anything to add?

Mark Elliott: I agree. They are innumerable, and they are difficult to challenge in a single one-size-fits-all, but the best is practical experience. With our Change100 programme, when people experience what it is like to work alongside and with a disabled colleague, they understand that they have a talented individual who is contributing to the organisation positively. Yes, there are some issues that need to be resolved, in terms of how they work and when they can work, but if you match the skill with the job, it can be done. More employers need to experience that, and touch and feel it.

Q106 **John Glen:** I personally have employed somebody, and it was a journey. By the end of it, it was satisfying for both of us. As an employer, you achieve something, because you go through some dark times and know more about how to manage people. That positive experience of getting through difficult times needs to be told.

Danielle Hamm: And it generates loyalty and work satisfaction, which will keep people and make them motivated.

John Glen: It certainly does.

Chair: Thank you very much.