



House of Commons
Work and Pensions Committee

**Disability employment
gap: Government
Response to the
Committee's Second
Report of Session
2021–22**

**Fourth Special Report of Session
2021–21**

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Work and Pensions Committee

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

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Publication

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Committee staff

The current staff of the Committee are Morenike Alamu (Committee Operations Officer), Henry Ayi-Hyde (Committee Operations Officer), David Betteley (Committee Specialist), Oliver Florence (Senior Media and Communications Officer), Chloe Freeman (Second Clerk), Anne-Marie Griffiths (Clerk), Ed Hamill (Committee Operations Manager), Dr Libby McEnhill and James Mirza Davies (Senior Committee Specialists), Owen Sheppard (Media Officer).

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Fourth Special Report

On 30 July 2021, the Work and Pensions Committee published its Second Report of Session 2021–22, [Disability employment gap](#) (HC 189). On 5 November 2021 we received the Government Response to the Report, which is appended below.

Appendix: Government Response

Introduction

We thank the Committee for their Report and welcome the opportunity to address their findings and recommendations. We share the same aim and commitment to improve the lives of disabled people in every walk of life.

Set against the backdrop of COVID-19 and the devastating consequences of the pandemic across the world, we remain on target to deliver on our health and work reform agenda, and to achieve our goal to see one million more people in work by 2027. Despite an initial stalling of progress in the early stages of the pandemic, the trend in disability employment remains positive with the latest figures, for April to June 2021, showing that there are now 4.4m disabled people in employment in the UK (United Kingdom), an increase of 390,000 since the same period in 2019.

The disability employment gap is now 28.4 percentage points, a decrease of 0.6 percentage points since the same period in 2019 and a decrease of 4.8 percentage points since 2013 (when the current way of measuring disability began). since 2010.

In 2020/21 we will spend more than £55bn on benefits to support disabled people and people with health conditions, which is around 2.6% of the UK's gross domestic product. We have invested in trials that are building the evidence base on what works, and this year three major publications - Shaping future support: the health and disability Green Paper, the response to the Health is Everyone's Business (HEIB) consultation and the National Disability Strategy - each form part of our holistic approach and vision for supporting disabled people and people with health conditions to live independent lives and start, stay and succeed in employment.

We have listened carefully to the Committee's recommendations and are making significant progress in taking forward our reforms, as you will see below.

Addressing the recommendations

Recommendation

We recommend that the Government adopt a target with two elements: closing the disability employment gap and increasing the number of disabled people in work. It should re-adopt its previous target of halving the disability employment gap. Alongside this, it should adopt a new, more ambitious absolute target aimed at increasing the number of disabled people in work, as its current target is not sufficiently stretching.

At today's employment levels, halving the disability employment gap would mean that around 1.2 million more disabled people need to be in work (assuming that the number of non-disabled people in work stays roughly the same). The Government should adopt this as its absolute target, which it should aim to achieve by 2027. We were disappointed to find that the Green Paper on health and disability support does not make any reference to a new target. The Government must use its National Strategy for Disabled People to set out its plans to adopt—and achieve—a more ambitious target instead.

Response

There has been good progress in reducing the disability employment gap – it has closed by around 5 percentage points since 2013 (when the current way of measuring disability began). Having clear goals to reduce the disability employment gap and increase the number of disabled people in employment provides a fuller picture of progress than a single goal. We have committed to publishing annual statistical updates on disability employment, which cover the gap and wider trends. The next statistical update will be published shortly in November 2021.

It is worth noting that the Government has goals for disability employment and not targets. This is because external factors such as the size of the underlying disabled population and overall labour market performance will have an impact on disability employment, as well as interventions both from within and outside of Government.

Setting a goal of seeing 1.2 million more disabled people in work over the next 5 years is very unlikely to halve the gap. This is because, based on past trends, the size of the disabled population will also increase during this time. An increase of 1.2 million disabled people in work would result in an estimated reduction in the gap of around 5 percentage points.

We will seek to achieve the current goal, to see a million more disabled people in work in the decade to 2027 or ahead of the date given the good progress so far. As and when we achieve that, we will consider a further ambitious goal.

Measuring disability employment

Data collation

Recommendation

Instead of relying on a single measure the Government should collect data against a set of indicators. It should continue to monitor the absolute number of disabled people who are in employment and the rate at which disabled people leave or remain in work compared to their non-disabled counterparts. In addition, it should measure the difference in average pay between disabled and non-disabled workers and consider adopting further measures of disabled people's job quality. The Government should also consider adopting the Prevented from Working by Disability measure, which accounts for the prevalence of disability in the population, as an additional indicator against which it can measure progress.

Response

The Government collects, and monitors, a number of different indicators when monitoring disability employment. Throughout this, we need to remember that we are focused on disabled people and that the data is a means to understand trends in employment, the disability employment rate, the disability unemployment rate, the disability economic inactivity rate and the disability employment gap.

[A08: Labour market status of disabled people - Office for National Statistics \(ons.gov.uk\)](#)

Annual statistics published by DWP/DHSC explore this data in more depth looking at employment outcomes, for both disabled and non-disabled people, across a number of different characteristics (such as age, gender, health condition, occupation, geography). The statistics also include information on movements in and out of work, again for both disabled and non-disabled people.

[The employment of disabled people 2019 - GOV.UK \(www.gov.uk\)](#)

We also look at a range of other data and evidence published both within and outside of Government. For example, data published by the ONS on disability pay gaps and job quality indicators (disabled and non-disabled).

[Disability pay gaps in the UK - Office for National Statistics \(ons.gov.uk\)](#)

[Job quality indicators in the UK – hours, pay and contracts - Office for National Statistics \(ons.gov.uk\)](#)

Throughout the (COVID-19) pandemic we have used data to assess the impact on disabled people such as:

- which people are most likely to be temporarily away from paid work during the coronavirus (COVID-19) pandemic. [People temporarily away from paid work in the UK - Office for National Statistics \(ons.gov.uk\)](#)
- how the coronavirus (COVID-19) pandemic impacted on redundancies using the UK labour market statistics for the period September to November 2020. [Coronavirus and redundancies in the UK labour market - Office for National Statistics \(ons.gov.uk\)](#)

Our current preferred method of measuring the disability employment gap is well understood and is used widely both within and outside of Government, including by the ONS and Scope.

As the National Disability Strategy set out, we are committed to improving the availability, quality, relevance, and comparability of Government disability data.

Recommendation

The Government should commit to publishing data about autism as soon as possible. It should also set out how it will collect more data on other impairment groups.

Response

The ONS published information on outcomes for disabled people across areas of life: education, employment, social participation, housing, well-being, loneliness, and crime in February 2021.

[Outcomes for disabled people in the UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

This gave employment rates of disabled people by main impairment, which included people with autism. The data was derived from the Labour Force Survey (LFS) and is intended to be updated annually.

The ONS have also published information on the prevalence and economic activity of those with autism, among those who have a long-term health condition, by age, again derived from the LFS.

[Autism prevalence, UK, 2020 - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

DWP/DHSC also publish annual statistics on the employment of disabled people. These include breakdowns by main health condition, which are derived from the LFS and will include autism for the first time when they are updated later this year.

[The employment of disabled people 2019 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Recommendation

We recommend that DWP should work with the ONS to explore how it can use the LFS to collect employment data about people in groups who are affected by similar symptoms, even if they have different underlying diagnoses. This should include, but not be limited to, people affected by symptoms such as energy limitation and stamina impairment, which can span a number of different medical conditions.

Response

We note the distinction in thinking about symptoms and diagnosis. In the case of PIP (Personal Independence Payments), the focus on function and ability demonstrates our commitment to symptoms, not diagnoses.

Data on employment, disability and type of impairment (such as stamina, mobility, dexterity, and vision) is already collected in the Family Resources Survey (FRS).

Mandatory reporting

Recommendation

We recommend that the Government should require larger employers (those with 250+ employees) to publish data on the proportion of their employees who are disabled. (Paragraph 38)

Response

We know that reporting and transparency on the recruitment, retention, and promotion of disabled people, and creating positive and disability inclusive workplace environments, has lots of potential benefits. We know some businesses are in favour of or already reporting on disability in their workforces, while others have raised concerns with such processes.

In the National Disability Strategy, the Cabinet Office committed to leading a consultation on workforce reporting on disability for large employers, exploring both voluntary and mandated workplace transparency.

The Disability Unit will lead in organising the consultation, working with other relevant departments, including DWP. We believe this is the right next step, to ensure the issues and options are well understood.

Disability pay gap

Recommendation

The disability pay gap, however, remains stark, and in its forthcoming National Strategy for Disabled People, the Government should set out ambitious and timed targets for how it intends to reduce it.

Response

The National Disability Strategy focuses on the issues that disabled people have told us matter to them across all aspects of their daily lives, including employment. Pay gaps are caused by a range of factors, and to address them, we must spread opportunity more widely.

As well as helping people get into work we want to help people progress in work. One of the key opportunities of Universal Credit – as both an in and an out of work benefit - is that it enables us to provide support to people who are in work to progress and increase their earnings.

Last year DWP launched the In-Work Progression Commission led by Baroness Ruby McGregor-Smith to gain a better understanding of the barriers faced by people in low pay and to help to ensure that work remains the best route out of poverty. The In-Work Progression Commission published their report on 1 July 2021 <https://www.gov.uk/government/publications/supporting-progression-out-of-low-pay-a-call-to-action>.

It makes 26 recommendations to help people to progress at work and move out of low paid employment. These include promoting a culture of lifelong learning, steps employers and Government can take to support workers to progress and improving local transport links. The Government is carefully considering the Commission's recommendations.

Starting in April 2022, the Government is enhancing its programme of support for workers on Universal Credit. More people who are in work on Universal Credit, including those with a health condition or disability, will be able to access work coach support, which will focus on career progression advice, and Jobcentre Plus specialists will work with local

employers to identify local opportunities for people to progress in work. Disabled people are expected to be a significant percentage of claimants who work coaches will support through in work progression, where they have lower earnings and work fewer hours.

This recognises that as disability employment increases, the disability pay gap may be impacted since it could be the case that some disabled people may wish or need to work less hours than non-disabled people, so receive lower earnings. In work support for such disabled people may increase their earnings power through higher rates of pay via career progression whilst acting to support increased job retention,

To support progression, the Government is taking decisive action to make work pay by cutting the Universal Credit taper rate from 63 percent to 55 percent, and increasing Universal Credit work allowances by £500 per annum.

We estimate that around two million families will save an extra £1,000 a year on average.

Employment support

Localised support

Recommendation

We recommend that DWP should carry out a significant expansion of the number of Devolved Deal Areas, granting more powers to local authorities to set up their own localised version of the Work and Health Programme. Any devolution should be underpinned by a clear framework including benchmarks and minimum requirements that local authorities must use when commissioning support.

Response

The Department is assessing the effectiveness of the Work and Health Programme, including the delivery of the Work and Health Programme by our Local Government Partners, London and Manchester combined authorities. This will help inform our future decisions on the design of future support and how it might best be delivered.

In the National Disability Strategy, we committed to fund a Local Supported Employment (LSE) service, working with approximately 20 Local Authorities across GB, building on evidence from the Proof of Concept.

Recommendation

Where they want to and can, local authorities should have the power to commission their own employment support programmes. They should work closely with the Department for Health and Social Care (or devolved administrations as appropriate), the NHS, the third sector, and education and training providers to achieve this.

Response

Partnership Managers in Jobcentres are responsible for building links with local welfare-to-work service providers, including further education colleges and independent training providers. This ensures that appropriate support is in place for claimants who require support to find employment or better-paid work.

DWP works with the Department for Education (DfE) to ensure that fully funded training is available for claimants, and with adult education sector providers on both a local and national level to shape the type of courses available. Work Coaches can see what is available locally using DWP's District Provision Tool, which is kept up to date by Partnership Managers. DWP recently flexed benefit rules to allow claimants to attend the new DfE Skills Bootcamps, which offer vocational and technical training linked to jobs.

DWP's Sector-based Work Academy Programmes (training, work experience and a guaranteed job interview) are delivered by Jobcentres in partnership with employers and local training providers.

Recommendation

We recommend that the role of ICPs (Integrated Care Partnerships) be expanded to include collaboration with local government on the commissioning and delivery of localised employment support to disabled people, with equivalent work by devolved administrations also being supported.

Response

Employment Advisers in Improving Access to Psychological Therapies services (EA in IAPT) support IAPT clients with depression and anxiety disorders. Our EAs work in 40 percent of clinical commissioning groups alongside therapists to support clients, who are both in work and out of work, to improve their mental health and remain in, get back to (if off sick) and find work. In 2020/21 29,000 people started employment support, in this financial year we expect around 36,000 to be supported.

The Health and Care Bill is currently moving through Parliament. It includes a proposal to create Integrated Care Partnerships (ICPs) in England. ICPs will bring together the NHS, local authorities and other stakeholders to address the wider determinants of health, which include employment (although the extent to which employment will feature is yet to be agreed),

Individual Placement and Support (IPS)

Recommendation

We urge the Department to bring forward publication of its analysis of data from these trials and to adopt IPS as a model for its employment support offer. We welcome the work that the joint Work and Health Unit has done so far on expanding the use of IPS, and DWP should continue to work with DHSC and NHS England on this.

Response

The Health-Led Trials evaluation results are due in 2022. They will provide a comprehensive assessment of the impact of the trials on employment, health, and wellbeing outcomes. We are currently working closely with the external research team to ensure results will be available at the earliest opportunity.

To maintain the momentum and relationships built with the health system in the trial areas whilst we await the evaluation results, we are funding IPS service continuation in the trial areas for individuals with common mental health and/or physical health conditions.

Access to information

Recommendation

It is unacceptable that some disabled people still face barriers when trying to access services through Jobcentre Plus. It must ensure that both its premises and services are wholly accessible to disabled people. The Department should invest in and expand its provision of alternative formats for its communications with disabled people. It should ensure that BSL interpreters are provided at all meetings with Deaf clients who need one and that other accessible formats—such as large print, Braille, and Easy Read—are readily available for people that need them. DWP should take inspiration from the Accessible Information Standard model used in the NHS and create an automated process which can record a disabled person's preferred communication method and provide the correct support accordingly.

Response

It is DWP policy to ensure disabled claimants with complex needs and those who need additional support are supported using different method of communication.

We are committed to making our services more accessible for disabled people and have made a number of improvements over the past year. For example, we have implemented the Video Relay Service across all our benefit and service lines. Video Relay enables British Sign Language interpretation for telephone calls.

Since January 2018, Thebigword has provided Foreign Language and British Sign Language (BSL) services for the DWP staff and customers. All Jobcentres can access the service provided by Thebigword. This includes face-to-face interpreting and for inbound calls the Video Relay Service.

We are also hosting the BSL video guides and case studies on Job Help and they are available on our dedicated YouTube channel, as well as developing more BSL guides and case studies.

We have begun work to make all the forms we publish on Gov.UK fully accessible, whilst making it easier for customers to find the information they need about alternative formats. We are improving how we collect and record alternative formats and reasonable adjustments on our IT systems so that people will not need to request a change to their communications more than once. This allows DWP to capture the customer's communication whether the customer is claiming benefits, looking for employment or moving into pension age.

We are amending our IT system generated letters so that they clearly highlight to customers how they can request communications from us in an alternative format. We have also enhanced Employment and Support Allowance scripts so that colleagues are prompted to ask customers at the start of the claim about any reasonable adjustments they require DWP to make.

Disability Employment Advisers (DEAs)

Recommendation

DWP should keep the number of DEAs under review and commit to recruiting additional DEAs if demand rises. It should also ensure that any training that Jobcentre Plus staff receive on supporting disabled people is not just generic but covers the needs of specific impairment groups, including people with invisible disabilities.

Response

Jobcentre staff undergo comprehensive ongoing learning which continues at point of need throughout their role. This provides them with the knowledge and skills training to enable them to treat each claimant as an individual and to discuss with each claimant their health condition, the impacts of their condition and appropriate support. DEAs use a range of resources that are frequently updated including the District Provision Tool, a directory of the provision and support delivered by Jobcentre Plus, providers, local authorities, volunteer and charity organisations along with links and contacts to signpost customers and colleagues to these services. This ensures that they can access the most up to date advice and expertise on a particular disability or health condition.

The decision to increase DEAs nationally to 1,000 was to ensure DEAs are available to provide support to Work Coaches, particularly new Work Coaches. The DEA is primarily an enabling role and their learning journey covers multiple health conditions. This enables them to support Work Coaches and Work and Health Services colleagues (e.g. Employer Advisers) to better understand how health and disability can impact employment and personalised support, tailored to each claimant's individual needs. The DEA role was further enhanced in April 2021 through the introduction of Direct Support. A DEA and Work Coach agree additional actions that a DEA will provide for a customer for a maximum period of 13 weeks.

These actions provide short term support for customers that require DEA expertise over and above the Work Coach core offer, whilst upskilling work coaches via working closely with DEAs.

Guidance on Job carving

Recommendation

DWP should provide detailed guidance to both providers and employers on how they can job carve roles for disabled people. It should also ensure that Jobcentre Plus engages with local employers to encourage them to carve out roles for disabled people.

Response

The Government recognises that work is not an option for all disabled people, but many disabled people who can and want to work find themselves excluded from the workplace. For those disabled people who do find themselves excluded, the National Disability Strategy includes a comprehensive set of measures to support disabled people into good jobs and enable them to thrive in the workplace:

- A new Adjustment Passport, to be piloted during 2021 by DWP and a new online advice hub will offer accessible information and advice on employment rights for disabled people, which was launched in July by BEIS, in partnership with Advisory, Conciliation and Arbitration Service (Acas).
- The Cabinet Office will consult on workforce reporting on disability for large employers, exploring voluntary and mandated workplace transparency, and publish a set of next steps.
- For disabled people who can and want to work, DWP has committed to explore offering earlier and more intensive back-to-work support in Jobcentres for people before their work capability assessment (WCA).
- DWP has rolled out a new approach to conditionality for disabled people and people with health conditions. This starts with a voluntary approach to agreeing useful work-related activity if appropriate, whilst maintaining the ability to introduce mandated activities if these will offer the best approach in supporting the claimant. The aim is to enable an honest and open conversation between a person and their work coach about what they can do and the space to try out and expand activities over time without risking a sanction.
- DWP will increase places on Intensive Personalised Employment Support (IPES) by 25 percent.
- This will help ensure that more disabled people and people with health conditions will be able to rapidly access appropriate tailored support.

Disability Confident employers are encouraged to obtain advice and support from Jobcentre Plus, Work Programme providers, recruiters and/or your local disabled people's user led organisations (DPULOs) and regularly advertise vacancies with them as part of their Disability Confident commitments. They may provide advice on offering placements and work trials and job carving of opportunities (where the role focuses on tasks the disabled person is able to do and those they are unable to do are allocated to others).

The Disability and Health Green Paper sets out the Department's ambition to support and empower disabled people to achieve their full potential, while the Government's response to the Health is Everyone's Business consultation sets out how we will improve support for people in work.

In-work Support

Information and advice

Recommendation

We urge the Government to ensure that its information and advice service goes live as planned no later than August 2021. DWP must ensure that this hub contains clear guidance for employers about their legal obligation to provide reasonable adjustments and about how to implement them. It should also provide guidance to employers about interpreting the definition of disability in the Equality Act, with a particular focus on how its provisions apply to people with mental health conditions. We were encouraged

to hear that some employers have taken positive steps to support disabled employees but remain concerned that not all employers are taking their responsibilities seriously. The Government should also consider adopting more severe punitive measures, such as “naming and shaming,” for employers who continue to breach the law.

Response

As planned, in October 2021 Government entered private live testing of an early version of a service to support employers managing health and disability in the workplace. This is designed to help prevent avoidable job loss on grounds of health or disability, by addressing knowledge and skills gaps of employers (especially small businesses, who are less likely to have in-house HR support, or to use OH services).

This is being developed directly with SME employers, to meet their needs to bring relevant information together to reduce search and navigation challenges and providing information in a format which is easy to understand and act upon. This will include information on legal obligations and mental health.

Over the coming weeks we will use employer feedback from the private live testing stage to refine the service, before, subject to test findings, entering a wider phase of public live testing. Again, subject to findings and funding, we expect to continue to develop the service, adding and iterating features in response to employer feedback.

The service links to information from multiple Government domains and we are working collaboratively with our cross-Government ‘service community’ (health and work content and policy leads in other departments and Arm’s Length Bodies) to develop this service and improve the overall information landscape.

The Disability Confident scheme provides access to a range of advice, guidance, case-studies, and videos that can support employers to understand how they can better support disabled people in the workplace.

As announced in the National Disability Strategy, Acas have recently launched a ‘Disability at Work’ page which contains clear, accessible information and advice on employment rights for disabled people – from reasonable adjustments to discrimination in the workplace.

<https://www.acas.org.uk/disability-at-work>

Access to Work

Recommendation

To raise awareness of the scheme, which remains unacceptably low, the Department should launch a marketing campaign targeted at employers and at disabled people who are in, or applying for, work. The Department should also return to publishing statistics on Access to Work quarterly, in line with the publication of statistics on several other benefits that disabled people can claim, instead of annually. DWP should also redesign the application process to make it more streamlined and reduce the amount of information that applicants are expected to provide. It should ensure that disabled people are given the opportunity to co-design the new application process. The Department should also

reduce the frequency of reviews, especially for people with long-term health conditions or stable employment and ensure that people with an upcoming review are notified well in advance.

Response

Marketing campaign

DWP is committed to improving awareness of Access to Work. We have delivered a paid communication campaign to increase awareness of Access to Work and increase take-up of grants. The proactive communication campaign included a combination of social media activity and active press engagement activities to highlight positive case studies, which has resulted in articles in mainstream papers.

The campaign was a targeted one to determine which were the best channels to raise awareness of AtW and has concluded with an internal evaluation of the materials and channels used to help inform our future approach.

With regard to further promotion of the Access to Work programme we are focusing on out of work underrepresented groups such as those with Mental Health conditions, Learning Disabilities, and young people.

Access to Work statistics

Since September 2017, Access to Work has published a new series of experimental Access to Work statistics and has withdrawn the previously published Access to Work official statistics. The new series focuses on a specific part of the Access to Work customer journey: the approval of Access to Work provision. This is the first stage in the customer journey for which comprehensive and reliable data is available. These statistics will not be comparable with previously published Access to Work official statistics because they have been calculated differently.

These statistics have been developed using guidelines set out by the UK Statistics Authority and are new official statistics undergoing development. They have therefore been designated as experimental statistics. We continue to publish these statistics annually and to develop them with reference to user feedback.

We will explore the feasibility of expanding the scope of the statistics to cover other parts of the Access to Work customer journey as we have since this new series of statistics went live to include Access to Work payments.

As these are designated experimental statistics, we will continue to develop them and as part of this will consider the appropriate publication frequency.

Redesign of Access to Work application

Access to Work is undertaking a digital transformation of the customer journey including the application process. As part of this digital transformation, DWP Digital Teams will conduct research and engage with key users and stakeholders across Access to Work as per the Government Digital Service Standard. We have already begun doing so as part of our current projects, including by:

- Interviewing disabled people with a range of accessibility needs, to review current processes and services in detail.
- Engaging with members of regional Access to Work forums, to gain their insight into the current process and record their suggestions for improvement.
- Observing Access to Work case managers, to identify issues after applications have been submitted and ‘pain points’ in the current decision-making and evidence gathering processes.

As projects and new products develop, we will continually engage with the same groups to test our work, improving the service continuously.

In May 2021, the customer journey for customers receiving confirmation of being granted an award was improved. We removed the need to sign a document and return this to Access to Work prior to putting support in place and claiming reimbursement of the grant. This means that once a disabled person has had their application approved, support can be put in place and costs can be reimbursed.

Later this year Access to Work is expecting to trial an online payment claims journey. This payment claims journey is currently in development with disabled people, employers, disabled people’s organisations and charities with a view to further improving the existing paper-based journey. The trial will aim to cover all Access to Work support, for example Specialist Aids and Equipment, Travel to Work and Communication Support.

Frequency of Access to Work review

Access to Work recognises that the frequency of reviews may be disruptive to some customers. However, reviews are an important part of the customer journey in ensuring the support is meeting their needs and where it is not adjustments can be made.

DWP recognises that there is room to do more and early next year we will be exploring with Access to Work customers, employers, and stakeholders (including disabled people’s organisations and charities) to gain an understanding of the challenges 3 yearly reviews pose and the options disabled people may want to see instead.

Recommendation

The application process for Access to Work, which is currently paper based, will undergo a “digital transformation” this year. This is long overdue, and we look forward to seeing how this work progresses.

The Department must ensure, however, that as the service goes digital, people with low digital literacy receive the support they need to access it.

Response

This year we are spending £5 million on Access to Work to commence delivery of a fully digital customer service that is innovative, visible and provides an improved customer experience.

The digital improvements will speed up the payment process, reduce the customer journey time and enable customers to better navigate GOV.UK by redesigning pages and improving signposting from other government services.

Access to Work will retain the helpline number so that where someone experiences difficulties with the application, or finds it difficult due to low digital literacy, the Access to Work agent can support them through this over the telephone. We are also working with our Digital teams on how we may improve the accessibility of the digital process such as looking at BSL videos to help explain the process.

Recommendation

We recommend that, should the passport pilot be successful, DWP should extend eligibility for these passports to other groups of people. It should also introduce a passport for disabled employees who are currently receiving support under Access to Work so that, if they apply for a job with another employer, their prospective new employer has certainty about what support they are entitled to, and they do not need to go through the application process again. This would help to reduce the unnecessary bureaucracy applicants face.

Response

We will be piloting a personalised Adjustment Passport to support:

- young disabled people with the transition from education, and
- service leavers who are leaving the armed forces and moving into civilian employment, and
- contractors and freelancers who move between periods of employment.

For those already in employment or starting a new job the passport will provide a living document of workplace adjustments and empower the holder to have the confidence to discuss their, in-work support needs with employers. The passport will enable disabled people to have a personal record of their workplace adjustments and remove the need for unnecessary assessments if customers are moving to a similar working environment.

The Adjustment Passport will be piloted with disabled people from November 2021 to gain an understanding of how effectively it supports a more coherent journey of adjustment support for students and service leavers. If successful, the passport will be expanded to support all Access to Work customers by providing a transferable record of adjustments and support, reducing the admin burden and the need for unnecessary assessments.

Recommendation

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

Response

In response to the predecessor Committee recommendation the Access to Work call handling journey for customers was reviewed and the issues identified addressed.

Access to Work now provides a number of different channels through which customers can make contact, including the previously referenced Video Relay Service, and Relay UK. During the course of the last year, we have invested in a significant programme of upskilling amongst Access to Work call centre team members to ensure they have the skills and knowledge to resolve customer queries at the initial point of contact.

As part of the Access to Work digital transformation we will be looking to further enhance the online offer, including by improving communication support at interview, application and renewal. Further services are being developed, including digital functionality to claim and pay access to work awards. By taking steps to improve the service we will reduce the number of customers' needing to contact us via the call centre.

Disability Confident

Recommendation

In response to this report, the Department should urgently announce its plans to carry out a comprehensive evaluation of the Disability Confident scheme and commit to a specific timetable for this evaluation.

Response

The National Disability Strategy announced our intention to review the Disability Confident scheme (Levels 2 and 3) and in response DWP will work with the Disability Confident Professional Advisers Group (PAG), the Business Leaders Group (BLG), charities and other key stakeholders this year to review and strengthen the scheme.

Building on the insight survey conducted in 2018, we are commissioning an employer insight survey to seek the views of employers about the effectiveness of the current scheme, what is working well and what can be improved in support of disability employment.

Recommendation

As part of its evaluation, the Department should explore ways in which it can measure the success of the Disability Confident scheme. This should include, but not be limited to, a mandatory requirement for employers at levels 2 and 3 to routinely publish the percentage of disabled individuals working in their organisations through the Government's Voluntary Reporting Framework. Employers should also be required to notify the Government when they have signed up to the framework.

Response

As part of our review of Disability Confident we will consider how we can measure the impact and success of the scheme. This review will also consider the Cabinet Office consultation into mandatory and voluntary reporting.

The growth and take-up of the scheme demonstrates that employers are engaging with the disability agenda. As of 31st October 2021, there were over 20,000 employers actively engaged in the DC scheme, covering over 11 million employees working within those businesses.

During Autumn 2021, we are undertaking a follow-up employer insight survey to explore the further effects that signing up to the Disability Confident scheme has on recruitment and retention attitudes towards disabled people.

Recommendation

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

Response

The Disability Confident scheme was developed by disabled people, disability organisations and employers with the aim being that employers took responsibility and demonstrated their commitment to being Disability Confident. This approach was endorsed by the Disability Confident Steering Group, including disabled people, disability organisations and employers.

The review of levels 2 and 3 will provide an opportunity to seek views on the level of external assessment.

The scheme has a process for employers to follow to resolve issues or complaints related to their administration in the scheme. If after following the process issues remain unresolved, DWP may then contact the employer to:

- seek their view on the issue(s) involved.
- consider with the employer whether they are failing to comply with some or all of the Disability Confident criteria.
- if they are failing to comply, discuss an improvement plan and timetable for remedying the situation.

DWP would expect the employer to be able to show that they are taking action to address the issue(s). If there is clear evidence that the employer is not applying the policies and/or practices of the Disability Confident scheme, DWP reserves the right to suspend or remove the Disability Confident status of the employer. We will consider the complaints process as part of the DC review.

Recommendation

As part of its evaluation, we recommend that the Department should consider whether the existing Disability Confident commitments, and the criteria at subsequent levels, is sufficiently challenging and encourages meaningful change from employers. We recommend that any new commitments should include a requirement for Disability Confident employers to recruit disabled people before being awarded a higher level of accreditation.

Response

At all levels, employers are required to adhere to key commitments within the scheme. At Disability Confident Committed (Level 1), this includes: attracting disabled people and ensuring that their recruitment processes are fully inclusive and accessible; communicating and promoting vacancies to attract disabled people; offering an interview to disabled people that meet the minimum criteria for the job; anticipating and providing reasonable adjustments as required; and supporting existing disabled employees to retain employment.

It is unlikely that an organisation can become Disability Confident without employing a single disabled person. At levels 2 and 3 employers need to provide evidence of how they support their disabled employees, which would not be possible if they had no disabled employees.

Employers at all levels **must** agree to undertake activities that will make a significant difference to the work-opportunities of disabled people. Throughout the learning journey employers review their policies and procedures against set criteria and gather evidence to demonstrate that their processes are inclusive and accessible to all and that they are supporting workplace opportunities for disabled people.

As part of the Disability Confident review, we will consider whether the commitments, actions and guidance within the scheme's criteria is sufficiently challenging and encourages meaningful change from employers.

Health is Everyone's Business (HIEB)

Recommendation

We welcome the publication of the Government's response to the Health is Everyone's Business consultation, which closed in 2019. We look forward to scrutinising the Government's proposals in greater detail, particularly on improving access to occupational health for people in smaller businesses, which may not have dedicated HR functions.

We recommend that the Government set out, in response to this report, more detail about its plans to test and evaluate the impact of a subsidy for SMEs and the self-employed, including its planned timetable.

Response

The Health is Everyone's Business (HiEB) consultation response was published in July 2021 and aims to reduce ill-health related job loss and see 1 million more disabled people in work from 2017 to 2027.

The measures Government is taking forward provide greater clarity around employer/employee rights and responsibilities; recognise the important role of Occupational Health (OH); re-enforce the need for employers to have access to clear and compelling information and advice that is easy to understand, trustworthy and accessible, and improve access to expert support services such as OH when needed.

Government is working with the Occupational Health (OH) sector to improve access to quality, cost effective, expert work and health support.

Evidence shows that cost is one of the main reasons for not purchasing OH among small-medium employers (SME) and the self-employed. Lack of knowledge about the benefits of OH and how to purchase this through the commercial market is also a barrier for SME and the self-employed. Many employers will have no awareness or experience of procuring or using OH for themselves and there is limited guidance targeted at SMEs and self-employed people.

We are continuing to explore the efficacy of co-funding OH services, through a financial incentive scheme, and are working on ways to test this to inform further development.

Initially we plan to test incentivising expert-led, work and health assessments that help employees to remain in, or return to work, for SMEs and the self-employed. This test will be robustly evaluated and findings, alongside developments in OH workforce and innovation policies, and affordability, will inform our approach.

At this stage, we are not committing to the introduction of a financial incentive, but we are interested in the strength of the case to do so and building evidence on whether OH incentives and purchasing support can increase access to OH services for employees of SMEs and the self-employed, and the effect on employee outcomes.

We expect to launch a user-research exercise this financial year. This will work with employers and OH providers to explore effective ways of delivering financial incentives and support to navigate the market. These findings will be used to determine the further development.

Statutory Sick Pay (SSP)

Recommendation

We recommend that in response to this report the Department set out in greater detail its plans for reforming SSP in future, including expected timescales.

Response

Statutory Sick Pay (SSP) is designed to balance support for an individual when they are unable to work with the costs to employers of providing this support. In response to the COVID-19 pandemic, government made a series of unprecedented changes to SSP rules to help people to comply with public health advice.

This included making SSP payable from day one where absences were related to COVID-19 and available to employees who are sick or self-isolating due to COVID-19. However, the pandemic was not the right time to introduce broader changes to SSP which would have placed an immediate cost on employers at a time where many were struggling.

As we learn to live with COVID-19, we will be able to take a broader look at the role of SSP. Work is ongoing to make sure we get any changes right, while our strong welfare safety net continues to support those who need it.

Impact of the coronavirus pandemic

Recommendation

The Government should work with employers to ensure that disabled people are supported to work in an environment that suits them best: whether this is from home or at their place of work. To that end, the Government should amend current legislation and give workers the statutory right to request remote or flexible working from the beginning of their employment. In some industries or some roles, it may not currently be feasible for workers to carry out their roles remotely. As with the existing right to request flexible working for employees with at least 26 weeks' service, employers should follow Acas' Code of Practice on dealing with flexible working requests in a reasonable manner, which should involve weighing the benefits of any changes against any adverse impact on the business. It should also work with employers to ensure that their places of work are inclusive and accessible for all, so that disabled people who do not want to work from home are well supported.

Response

Flexible / Remote working

The Government recognises that there is no 'one size-fits-all' approach to flexible working arrangements and that the extent to which remote working is suitable for individuals will depend on personal and organisational circumstances. It is therefore important that any such arrangements are discussed between employers and employees.

Flexible working covers a range of working arrangements around the time, place, and hours of work. The offer of flexible working can bring benefits to employers and employees alike: it gives employees much-welcomed choice when looking to balance work and life at home; and helps employers to recruit and retain valued staff members. Having access to a flexible working arrangement can also make work more accessible to under-represented groups, including disabled people.

On 23 September 2021, BEIS published a consultation on measures to increase the availability and uptake of flexible working. This delivers on the manifesto commitment to 'encourage flexible working and consult on making it the default unless employers have good reasons not to' and is an important part of our drive to build back better after the pandemic, helping people to start and stay in work whatever their personal circumstances. The consultation closes on 1 December.

Since the onset of the pandemic, it is true that many more people have been working from home with businesses rapidly adapting to remote working, using new technology and finding new ways of working. We recognise that remote working has created opportunities but has not been a positive experience for everyone. There can be negative consequences for workplace culture, people for whom it is not available and those that it does not suit. That is why we need to learn from our experiences through the pandemic and proceed with care, taking the best of what has worked for businesses and their staff, but recognising the potential pitfalls.

The Government is also working with the Flexible Working Taskforce – a partnership across business groups, trade unions, charities, and government departments – to help inform the Government’s thinking and support employers as we navigate the impact of Covid-19 on future ways of working.

In the short-term, the Advisory, Conciliation and Arbitration Service (Acas) – in consultation with the Flexible Working Taskforce – has produced advice on hybrid working, to help employers consider whether this could be an option for their workplace and how to fairly introduce it. Hybrid working is a type of flexible working where an employee splits their time between the workplace and working remotely. The advice covers the existing legal and practical issues associated with this way of working – and includes a section on supporting and managing staff.

The Flexible Working Taskforce is also working on developing best practice guidance for employers in this area, which will include advice on inclusion and fairness when making decisions about hybrid working, before moving on to consider how employers are better able to support all forms of flexible working, including short notice requests.

HSE – death arising from coronavirus

Recommendation

We recommend that DWP work with HSE to commission research to better understand whether there is a link between occupational settings and the raised risk of death from coronavirus for disabled people.

Response

Analysis has already been undertaken, by the ONS, to estimate the association between self-reported disability and deaths involving COVID-19. The following article concluded that a combination of factors (residence type, geography, socio-demographics, and health conditions) partly explained the increased risk for disabled people.

[Deaths involving COVID-19 by disability status: a retrospective analysis of 29 million adults during the first two waves of the Coronavirus pandemic in England | medRxiv](#)

More generally the ONS concluded that people in certain occupations had an increased risk of death involving COVID-19.

- men who worked in elementary occupations or caring, leisure and other service occupations had the highest rates of death involving COVID-19, with 66.3 and 64.1 deaths per 100,000 males, respectively.
- women who worked in as process, plant, and machine operatives or in caring, leisure and other service occupations had the highest rates of death involving COVID-19 when looking at broad occupational groups, with 33.7 and 27.3 deaths per 100,000 females, respectively.

[Coronavirus \(COVID-19\) related deaths by occupation, England and Wales - Office for National Statistics \(ons.gov.uk\)](#)

Kickstart & Restart – data collation

Recommendation

DWP must ensure that the Kickstart and Restart schemes are accessible to disabled people. We recommended that the Department should immediately improve how it collects data about claimants' characteristics in the Universal Credit system so that it can monitor, in real-time, how well the Kickstart and Restart schemes are working for particular groups, including disabled people. We reiterate that recommendation now.

Response

Kickstart Scheme is open to claimants with a disability

Young people with a disability or health condition on Universal Credit who wish to take up the opportunity of a Kickstart job can discuss what roles they are interested in and any reasonable adjustment they require with either a Work Coach, Youth Employability coach or Disability Employment Adviser. If adjustments are required to enable the young person to take up a Kickstart job these are to be discussed and agreed with the Kickstart employer.

All young people on Kickstart are offered ongoing support on a voluntary basis with their work coach during their time in a Kickstart job.

If the young person does not currently have a work coach assigned to them and they wish to find out more about Kickstart opportunities this will be arranged with their local Jobcentre.

It was imperative to get Kickstart up and running quickly, in order to prevent the long term impact of unemployment on young people. As such, the ability to capture the demographic characteristics of participants was not prioritised. Disability status is recorded on the wider Universal Credit systems and will be used in the evaluation of the scheme.

Restart Scheme

The Restart Scheme is open to Universal Credit claimants, including disabled people, who have been unemployed for between 12 to 18 months and are expected to look for and be available for work, but have no sustained earnings. There will also be an opportunity for discretionary referrals for other Universal Credit claimants at the appropriate time based on individual claimant and Work Coach discussions. In addition, and learning from the Work Programme Impact Assessment, Work Coaches and providers will engage positively, including through a warm handover introductory conversation to make providers aware of the participants' specific circumstances and encourage participation.

The Restart Scheme will be fully accessible for all participants, including disabled people and people with health conditions. At the core of the programme is the requirement on providers to deliver a personalised service that addresses individuals' support needs. Under the terms of the Equality Act, providers are required to enable equal access to the provision. Restart Scheme providers are also required to be Disability Confident Leaders, and therefore to be fully aware of best practice in supporting disabled people.

The Department will be monitoring the characteristics of people who participate in employment programmes, including which benefit conditionality group they are from.

Recommendation

DWP must demonstrate that lessons have been learnt from previous schemes and ensure that the payment model used in Restart does not disincentivise providers from supporting those who are furthest away from the labour market, including some disabled people. The Department should incorporate a service fee element into its payment model for Restart to ensure that providers are incentivised to support disabled people, and other cohorts, that may be furthest away from accessing the labour market.

Response

The Restart Scheme is specifically designed for those who are fit for work and in need of that extra support to get back into sustained employment. The Payment by Results model incentivises providers to help as many people as possible into sustained employment, as the more people they help, the more outcome payments they will receive. There are two distinct elements to the Restart Scheme payment model which are:

- Delivery Fee (30% of the estimated Total Contract Value)
- Outcome Payments

To avoid “creaming and parking” of harder to help participants, we have used an accelerator payment model. This model means that providers begin getting paid more per outcome once they reach above a certain performance level. The intention is to incentivise providers to achieve outcomes for as many customers as possible, including those harder-to-help, rather than focussing only on those considered closest to the labour market.

The disability benefits system

Work Capability Assessment

Recommendation

The Work Capability Assessment (WCA) is not fit for purpose. DWP should use the Green Paper as a starting point to carry out wholesale reform of the WCA.

Response

The Green Paper explores how the benefits system can better meet the needs of claimants now and in the future by improving claimant experience of our services, enabling independent living, and improving employment outcomes. We are now analysing the responses. Detailed proposals will be brought forward in a White Paper in 2022, setting out how we can better enable people to take up work and live more independently, and outline the changes we want to make to the benefits system to better address structural and delivery challenges.

Sanctions

Recommendation

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

Response

The Committee's 2018 report on benefit sanctions recommended that certain groups of claimants in the Health Journey be exempt from conditionality and sanctions. In the Government's response, the Department committed to explore a Proof of Concept (PoC) for a voluntary-first approach.

This voluntary first approach (now known as Tailoring Up) is designed to better engage claimants on the Universal Credit Health Journey, or those claiming Employment and Support Allowance. Mandatory activities can still be applied if the work coach considers that this is necessary to appropriately support the claimant into or towards employment. This approach was developed following a PoC run in 29 Jobcentre Plus sites from September 2019 to February 2020.

Small scale qualitative feedback from staff was positive and indicated that this approach increased their ability to build rapport and trust with claimants; increased claimant engagement and delivered improved quality of tailoring and personalisation. Claimant views were not evaluated due to lockdown.

Implementation of this new approach was rolled out nationally in January 2021, alongside the reintroduction of employment support for this group of claimants. Assurance activity will continue whilst the approach is bedding in. Early signs indicated claimants were receiving regular interventions using the resourced time in a more flexible way, which was more aligned to the policy intent.

As with all our policies, the Department will continue to monitor and review the effectiveness of the tailoring up approach. There are already conditionality exemptions for those with the most severe health conditions; and all claimants have their commitments tailored based on their personal situation. There is no evidence or analysis on the impact of sanctions on disabled people.

The Department also committed in the Government response to look at processes to give claimants a written warning, instead of a sanction, for a first sanctionable failure to attend a Work-Search Review. Before assessing the merits of extending such a system, we are under-taking a series of small-scale proof of concepts of this warning system. However, we have had to pause this work in order to prioritise support for an increased number of claimants owing to the pandemic. We are aiming to restart this activity in due course.

What has DWP done to engage claimants in provision and conditionality

The Green Paper proposed ways to improve the design of the benefits system and posed illustrative ideas to generate discussion. During the consultation we heard from disabled people and their representatives about the approaches to consider to improve the system. We are now analysing the responses and detailed proposals will be brought forward in a White Paper in mid-2022, setting out how we can better enable people to live more independently and take up work where possible.

SSAC's proposal

Recommendation

The evidence we heard suggests that the Department's engagement with disabled people on developing its National Strategy for Disabled People has been poor.

We recommend that the Department immediately accept SSAC's proposal for a protocol for engaging with disabled people. In response to this report, the Department should set out a timeframe for when it will begin publishing information about its engagement with disabled people.

Response

The Cabinet Office based Disability Unit has led development of the National Disability Strategy, working across government and reporting to DWP Ministers. The National Disability Strategy was published on 28 July 2021 and aims to improve disabled people's everyday lives. The strategies breadth is informed by one of the biggest listening exercises with disabled people in our recent history.

The UK Disability Survey saw over 14,000 people respond, providing information about their everyday experiences. Engagement was also through our regional and national networks, virtual workshops and other events, alongside detailed dialogues with disabled people. The National Disability Strategy commits to reviewing the way the UK government engages with disabled people, through discussion with disabled people and disabled people's organisations and charities.

Conclusion

I hope these responses serve to reassure the Committee of my Department's ongoing dedication to address the disparities in employment for disabled people.

As incoming Minister since the publication of the report, I am personally tremendously excited and committed to leading this work going forward and look forward to working closely with the Committee, expert stakeholders and disabled people as we build and develop our approach.

Chloe Smith MP
Minister for Disabled People, Health and Work