

Written evidence from Leonard Cheshire (DEG0127)

1. Overview

- 1.1. Leonard Cheshire is one of the UK's leading charities supporting disabled people. We support individuals to live, learn and earn as independently as they choose, whatever their ability and to play our part in creating a fair and inclusive society. Led by people with experience of disability, we are at the heart of local life — providing opportunity, choice and support in the communities we work in. We have significant expertise in working with disabled people in the UK and internationally to support them to overcome barriers to employment. In the last year alone, we supported over 32,000 disabled people to find employment globally through our programmes. This includes Change 100, which supports disabled young students and graduates to access the workplace by undertaking paid internships in top UK companies.
- 1.2. Leonard Cheshire's submission focuses on both our experiences of delivering employment support to disabled people before and during the pandemic, as well as the findings of our recent research. Our Locked out of the Labour Market report highlights the disproportionate impact Covid-19 has had on disabled people's employment, with 71% of disabled people who were employed in March 2020 experiencing an impact to their employment due to the pandemic.¹ Covid-19 has also exacerbated the existing fault-lines in the economy which caused structural and unequal barriers to the workplace for disabled people.

2. Progress in closing the disability employment gap

- 2.1. Prior to the UK-wide lockdown in March 2020, the country was making good progress towards increasing the proportion of disabled people in work, with 54% of disabled people in employment in comparison with a decade earlier. The number of disabled people in employment increased by 120,000 between July to September 2018 and the previous year. However, despite near full employment levels prior to the pandemic, barriers to work still existed. Disabled people continued to face a disability employment gap of 28.1%.² They were more likely to face poverty and financial insecurity with 48% of people living in poverty in 2019 were disabled.³
- 2.2. Although more disabled people were entering work prior to the pandemic, disabled people still faced barriers to retaining employment. Leonard Cheshire's 2019 Reimagining the Workplace report highlighted how a disability or changing condition can cause unstable and precarious employment: 73% of disabled adults in the UK have left work due to their health condition or disability.⁴ Furthermore, our research showed that the onset of a disability can break the connection with work: 26% of those who

¹ Leonard Cheshire, [Locked out of the labour market](#) (October 2020)

² TUC, [Disability employment pay gaps 2019](#) (November 2019)

³ Leonard Cheshire, [Get on Board 2020: Making the economic case for "levelling up" inclusive transport](#) (December 2020)

⁴ Leonard Cheshire, [Reimagining the workplace: disability and inclusive employment](#) (February 2019).

had fallen out of work spent six months or less in work after developing their health condition or disability.⁵ There is urgent need for employers to be upskilled, enabling them to adapt job roles and put in place occupational health support to ensure that more individuals with a disability or long term condition can remain in work.

- 2.3. Disabled people are also more likely to face insecurity in work: being more likely to work part-time - 36% compared to 24.1% of non-disabled people.⁶ We can see this disparity in salary levels. On average, disabled people earn 15.5% annually than non-disabled workers (£1.65 less for every hour they work).⁷ The impact of unemployment, job insecurity and lower incomes on disabled people is stark. In 2019, 4.3 million disabled people were living in poverty (31% of all people),⁸ and 75% of households using food banks contain someone with a health condition and/or disability.⁹ This level of under-participation in the labour market has profound ramifications on the wider economy with an estimated long-term cost to the public finances of between £10 billion and £30 billion.¹⁰

3. The impact of the coronavirus pandemic on disabled peoples' employment

- 3.1. The coronavirus pandemic has had a significant impact on the employment of disabled people. Our recent Locked out of the Labour Market report shows that disabled people are facing profound harms to their financial security and job prospects due to the pandemic. In the UK, 71% of disabled people who were employed in March 2020 have found that their work has been impacted.¹¹ In Scotland this increases to 82%, in Wales 69% and in Northern Ireland 58%.
- 3.2. Of disabled people employed in March:
- 24% in UK have worked reduced hours (29% Scotland, 25% Wales, 24% Northern Ireland).
 - 20% in the UK have lost out on income (25% Scotland, 25% Wales, 9% Northern Ireland).
 - 11% have felt at risk of redundancy (15% Scotland, 15% Wales, 7% Northern Ireland).
 - 57% have felt anxiety than usual due concerns that their job is at risk (67% Scotland, 64% Wales, 51% Northern Ireland).
 - 40% feel at greater risk of redundancy due to employers judging them on the basis of their disability (47% Scotland, 39% Wales, 40% Northern Ireland).
- 3.3. Furthermore, the pandemic has had a disproportionate impact on disabled people's employment, compared with non-disabled people. The Institute for Employment Studies indicates 40% of disabled employees were either furloughed or had their hours reduced, compared with only 30% of non-

⁵ ibid

⁶ ibid

⁷ TUC, [Disability employment pay gaps 2019](#) (November 2019)

⁸ Leonard Cheshire, [Reimagining the workplace: disability and inclusive employment](#) (February 2019)

⁹ ibid

¹⁰ Learning and Work Institute, [Dealing with the Labour Market Impacts of the Covid-19 Recession](#) (April 2020)

¹¹ Leonard Cheshire, [Locked out of the labour market](#) (October 2020)

disabled employees.¹² We know that the furlough scheme has offered a lifeline in the pandemic: 74% of disabled people in the UK placed on furlough told us that government support through the scheme has helped to protect their job. The UK Government's decision to extend the Job Retention Scheme until the end of April 2020 is a positive step. However, while the virus is still a threat, consideration needs to be given to how to protect the long-term livelihoods of disabled people who are clinically vulnerable to Covid-19. They should not lose their jobs due to no fault of their own.

Impact on disabled young people

- 3.4. Disabled young people must be protected from absorbing the deepest shocks from the Covid-19 recession. Data from the latest Labour Force Survey demonstrates that just 37% of disabled young people aged 16-24 are in employment compared to 55% of non-disabled young people. This is a 4% drop in the employment rate from 2019.¹³ Evidence from previous recessions also warns of the scarring effect a period of unemployment can have on young people's future careers, including wages that are up to 20% lower twenty years later than they would otherwise have been.¹⁴
- 3.5. Our own research¹⁵ has also identified a worrying crisis of confidence among young people about their future prospects.
- 44% of young disabled people feel that Covid-19 has had a negative impact on their future career ambitions (this was 42% of all working aged disabled adults).
 - 54% of young disabled people felt the pandemic had a negative effect on their future earning potential (48% of all working aged disabled adults).
 - 84% of young disabled people said their work had been impacted by Covid-19 (this was 71% of all working aged disabled adults).

Impact on older disabled people

- 3.6. There are already indications that the pandemic has had severe effects on the employment of older people too. Many have had to face changing expectations for the future and have been forced to take earlier retirement than planned, as well as experiencing an impact on individuals' health. There are also concerns regarding how older people are currently supported to weather unemployment shocks and periods of financial instability.¹⁶ Older disabled people are worried about not being able to re-train or find a new job if they face redundancy due to the impact of the pandemic.
- 40% of all disabled people felt at greater risk of redundancy due to employers' attitudes towards their disability.
 - 68% of those aged 55-65 said they are not confident about being able to get a new job if they were to become unemployed (54% of all).

¹² Institute for Employment Studies, [Labour Market Statistics, June 2020: IES Analysis](#) (June 2020)

¹³ ONS (2020), Labour Force Survey, July to September 2020

¹⁴ Coles, B., Godfrey, C., Keung, A., Parrott, S. and Bradshaw, J. (2010) Estimating the lifetime cost of NEET: 16-18 year olds not in Education, Employment or Training, University of York.

¹⁵ Leonard Cheshire, [Locked out of the labour market](#) (October 2020)

¹⁶ This is the case for both disabled and non-disabled older people. Source: Institute for Fiscal Studies, [The coronavirus pandemic and older workers](#) (September 2020).

- 62% of those aged 55-65 are not confident about being able to retrain if they became unemployed (50% of all).

4. Departmental lead on improving disabled peoples' employment rates

- 4.1. Despite the demonstrable and disproportionate impact that the pandemic has had on disabled people's employment, the government's response to date has lacked urgency. Its Plan for Jobs,¹⁷ published in July 2020, did not set out any specialist employment support for disabled people and only mentioned disabled people once, throughout the document. Similarly, the Comprehensive Spending Review also did not set out a specific package of support for disabled people.¹⁸ Although Leonard Cheshire welcomes the government's pledge to publish a National Strategy for Disabled People by Spring 2021, the employment crisis that disabled people are experiencing demands urgent action. This is why we are calling for the UK Government to set out how it will 'build back better' for disabled people and create a disability inclusive economic recovery. A Plan for Jobs for disabled people, with a dedicated package of measures to address the short term and longer-term structural barriers to employment which disabled people face, needs to be put in place by the UK Government.
- 4.2. To effectively address the disability employment gap, a cross-government approach is essential to ensure that disabled people's needs are at the heart of policymaking. The Treasury, the Department for Work and Pensions (DWP), the Department for Education (DFE), the Department for Health and Social Care (DHSC) and the Cabinet Office's Disability Unit need to work together to bridge the disability employment gap. Without support for young people transitioning from education to work, without access to an appropriate package of social care, and without disabled people being included in the Industrial Strategy, the structural barriers which fuel the disability employment gap will persist. Solely one Department taking the lead on disability employment will lead to the continuation of the current siloed approach to disability policy.
- 4.3. For example, although DWP's new Kickstart scheme will provide welcome employment opportunities for many young people, there has been a lack of consideration of how disabled young people can most effectively participate in the scheme. The scheme is only available to young people claiming Universal Credit. This is despite many disabled young people not claiming out of work benefits like Universal Credit. Greater coordination with the DFE from the outset could have enabled disabled young people with an Education, Health and Care Plan to access the scheme, and have given a progression path for disabled young people completing Supported Internships into a paid employment opportunity via Kickstart. Joining up education and employment support for disabled young people would stop young people from falling through the cracks in the system into long term unemployment.
- 4.4. Similarly, the role of the Department for Transport in helping to reduce the disability employment gap also needs to be considered. In recent research as part of our Get on Board campaign, we demonstrate the crucial role that an

¹⁷ HMT, A Plan for Jobs (July 2020)

¹⁸ HMT, Spending Review (December 2020)

accessible rail travel can have on improving job outcomes for disabled people. Currently 41% of rail stations across Great Britain do not have step free access. If this was addressed, 51,000 more disabled people could be in work, generating £450 million for the Exchequer and a £1.3 billion productivity boost to the economy.¹⁹ The government's infrastructure spending to "level up" economic opportunity should therefore be linked with efforts to close the disability gap.

- 4.5. It is therefore crucial that a **pan-governmental approach to addressing the disability employment gap** is taken. The National Strategy for Disabled People provides the government with a unique opportunity to break through departmental silos and put in place a cross-governmental approach to tackling the structural barriers driving the disability employment gap. **The Strategy should also be produced by conducting a programme of meaningful engagement** with disabled people. Disabled people and Disabled People's Organisations should work collaboratively with the Disability Unit to co-produce the Strategy, to ensure that it puts forwards policy solutions which will address the barriers to living, learning and earning independently for disabled people across the UK. The Disability Unit, could learn lessons from the Canadian Government's approach to engaging with 6,000 disabled people to create the Accessible Canada Act.²⁰

5. The balance between in and out of work support

- 5.1. The disproportionate impact the pandemic has had on the employment of disabled people, and particularly disabled young people, warrants a robust response from DWP. Schemes announced by the government to tackle growing unemployment, such as Kickstart and Restart are mainstream programmes, which offer no specialist support for disabled jobseekers. There is significant evidence that personalised, specialist employment support for disabled people is more effective at moving disabled people into work than mainstream programmes.²¹ Leonard Cheshire therefore recommends that **DWP invests further in new, specialist disability employment programmes** as well as existing schemes such as Intensive Personalised Employment Support (IPES)²². Increasing the number of Disability Employment Advisers in Jobcentres, offering essential tailored support, would also make a real difference to disabled people who feel that redundancy now may leave them locked out of employment permanently.
- 5.2. DWP needs to be at the forefront of building a disability inclusive economic recovery. One way that DWP could invest in boosting the employment of newly unemployed disabled people is to invest in a 'Jobs Guarantee'. A Jobs Guarantee should be offered to any disabled person unemployed for more than three months. An entirely voluntary initiative, the Jobs Guarantee should offer six months of paid work and training at the Living Wage as a minimum –

¹⁹ Leonard Cheshire, [Get on Board 2020: Making the economic case for "levelling up" inclusive transport](#) (December 2020)

²⁰ Government of Canada, [Accessible Canada - Creating new federal accessibility legislation: What we learned from Canadians](#) (2017)

²¹ DWP, [What works for whom in helping disabled people into work?](#) (October 2013)

²² Leonard Cheshire, [Building a Disability Inclusive Recovery: Leonard Cheshire's Plan for Jobs for Disabled People](#) (September 2020)

with full wrap-around support - and employers would be provided with a grant to cover salaries.²³

- 5.3. In addition to investing in specialist employment support, DWP should also work with employers to enable them to better support their disabled employees in work. Our research²⁴ shows that the pandemic has had a worrying impact on the attitudes of employers when it comes to disability in the workplace:
- 20% of employers said that they were less likely to employ someone with a disability with several of these employers (39%) saying that this was due to the physical, manual or demanding work. Of those less likely, 22% also said that this would depend on the type of disability or how severe it is.
 - 42% of employers stated they were discouraged from hiring a disabled person due to concerns about how to effectively support them during the pandemic. 56% of employers also reported that the practicalities of making reasonable adjustments and 54% reported that the costs of making reasonable adjustments, were barriers to employing disabled people.
- 5.4. Leonard Cheshire therefore urges DWP and the government to put in place more transparency to monitor employers' effectiveness at employing disabled people. We recommend that DWP builds on its voluntary reporting framework for Disability Confident Leaders with over 250 employees, and **introduce mandatory disability reporting for all large employers**. This should involve employers publishing data on the percentage of individuals who consider themselves to have a disability as well as data on the disability pay gap.
- 5.5. Alongside mandatory reporting, the government should put in place improved support for employers to recruit and retain disabled staff. For example, **adjustment passports, or 'purple passports'** could be promoted by the government. Adjustment passports are records which identify the reasonable adjustments, modifications and equipment a disabled person requires in education and work. They can act as an important tool in communication between line managers and disabled staff members. They can improve and embed identification and support for disabled people and provide help for line managers. Joined up workplace adjustments is something that the Canadian Government has introduced through its accessibility strategy for public services.²⁵ Companies such as BT and the UK Civil Service use adjustment passports to support their disabled employees' internal career progression.
- 5.6. **DWP should also invest in Access to Work** with promotion to employers so that awareness and participation increases. Our previous research showed that only 23% of disabled adults in the UK (currently or previously working) say they have ever received Access to Work support. This figure drops to just 14% in Scotland and Wales, and as low as 10% in Northern Ireland.²⁶ A proactive marketing campaign should be undertaken, particularly in the devolved nations, to ensure that disabled people and employers are aware of

²³ ibid

²⁴ Leonard Cheshire, [Locked out of the labour market](#) (October 2020)

²⁵ Government of Canada (2019) Nothing about us without us: An accessibility strategy for the public services of Canada DWP (2020).

²⁶ Reimagining the workplace: disability and inclusive employment (2019).

the support available through Access to Work to fund the reasonable adjustments which many disabled people need.

6. Recommendations

- 6.1. The UK Government should put in place measures to build a disability inclusive economic recovery from the pandemic, including putting in place a dedicated 'Plan for Jobs' for disabled people.
- 6.2. The government and DWP should invest in specialist employment support for disabled people who have lost their jobs during the pandemic. This could be achieved by introducing a 'Jobs Guarantee' for disabled people.
- 6.3. The National Strategy for Disabled People provides the government with an opportunity to break down departmental silos and take a pan-governmental approach to bridging the disability employment. The Disability Unit should also put in place a programme of meaningful engagement with disabled people and co-produce the Strategy.
- 6.4. DWP should introduce mandatory reporting for large employers with over 250 employees, with a requirement to share data on the percentage of their workforce with a disability, and the disability pay gap.
- 6.5. Adjustment or 'purple passports' should be introduced to support disabled employees and their line managers to document and put in place the adjustments needed for individuals to thrive at work. These passports should follow the individual throughout their careers.
- 6.6. DWP should invest in Access to Work with promotion to employers so that awareness and participation increases.

December 2020