

British Association for  
Supported Employment  
August 2013

# Submission to the Government Review of Disability Employment Strategy

**base**  
british association for  
supported employment

# About BASE

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The British Association for Supported Employment is a national membership charity that promotes the principles and delivery of high quality Supported Employment services.

Our 170 members span the public, voluntary and commercial sectors and have interests across the employment, social care, health, and education sectors.

The Association's primary concern is the sustainable employment of those people who are most disadvantaged in the labour market because of the nature of their impairment or other disadvantage.



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# Executive Summary

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BASE welcomes the Government's review of disability employment strategy. It is timely and provides the opportunity to review what's working and what isn't. At a time of limited resources it is essential that funding is directed to provision that is effective.

BASE has consulted with members throughout 2013 and we have produced a number of recommendations covering commissioning, benefit assessment, contracted delivery, employer engagement, transitions from education, and workforce issues.

## Our key proposals are to:

- » Change the emphasis of commissioning so that it is on the basis of quality rather than cost.
- » Fund three strands of provision using a largely payment by outcome approach: a mainstream

- » programme, a disability programme, and locally commissioned specialist provision.
- » Introduce a system of independent quality inspection and support provider improvement.
- » Raise employer awareness and involve them in policy decisions and the design of support programmes.
- » Encourage flexibilities to the recruitment process, especially in relation to the public sector.
- » Maintain a greater focus on work-based learning and improved work destinations for young people in education.
- » Support improved workforce development for specialist practitioners.



# Introduction

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The Government's review of disability employment strategy is timely. Both the Work Programme and Work Choice are coming closer to the end of their contract periods and we are now starting to see the publication of more reliable performance data. Evaluations of both programmes have been published and the Work and Pensions Committee has investigated several aspects of the commissioning and delivery of employment support. Locally commissioned specialist support is under extreme pressure as budgets contract.

BASE welcomes the review and has engaged with it constructively, as we have across a number of previous reviews. The arguments remain the same as we campaign for effective support for those most disadvantaged within the labour market. Supported Employment<sup>1</sup> works! The debate should include how to resource it and how to maintain its quality.

Whilst looking at proposals for reforming specialist employment support, we have had six key questions in mind:

01. What works?
02. Who is the customer group for this provision and can they be easily identified by referral agencies?
03. What should the provision look like to customers?
04. What role is there for customer choice?
05. How should it be commissioned and by whom?
06. What is the process for funding provision?

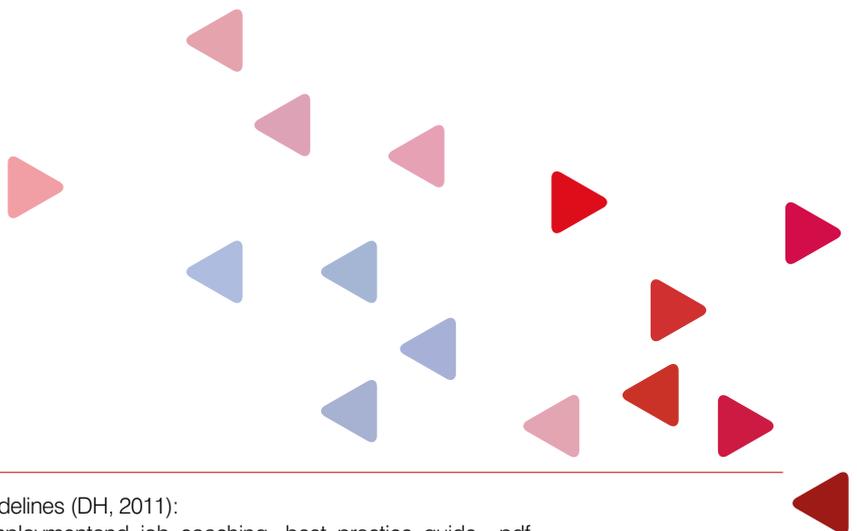
BASE has consulted with its members and other stakeholders over the last six months to address these questions. By discussing Supported Employment we include Independent Placement & Support (IPS)<sup>2</sup>, the slight variant used within mental health service provision. For ease and readability we refer simply to Supported Employment within this document.

## Supported Employment is a values-based approach to securing paid work. Its principles include:

- » a focus on sustained job outcomes that are matched to the person's skills and preferences. Jobs should be in real, integrated workplaces and at standard terms and conditions
- » a zero-rejection policy so that all who want to work can receive support
- » a "place, train and maintain" approach that minimises pre-employment activity
- » high quality employer engagement that builds employer knowledge and capacity
- » time-unlimited employer and customer support that is tailored to individual need

Our focus has been on those most in danger of economic exclusion; people with learning disabilities, long-term mental health needs, sensory impairments or autism conditions. This document contains our proposals and we are keen to work with national and local government, families, employers and providers to see improved employment rates for those people with disabilities who are most disadvantaged within the labour market.

Understandably, the Government's focus has been on reducing welfare expenditure by encouraging unemployed people to actively seek work. To support this it manages two employment programmes; the Work Programme and Work Choice. Both programmes support people with a range of disabilities but Work Choice is regarded as a specialist programme and, partly because of its much smaller size, has a far lower profile.



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<sup>1</sup> Supported Employment and Job Coaching – best practice guidelines (DH, 2011): [http://base-uk.org/files/%5Buser-raw%5D/11-06/supported\\_employmentand\\_job\\_coaching\\_-\\_best\\_practice\\_guide....pdf](http://base-uk.org/files/%5Buser-raw%5D/11-06/supported_employmentand_job_coaching_-_best_practice_guide....pdf)

<sup>2</sup> Centre for Mental Health: [www.centreformentalhealth.org.uk](http://www.centreformentalhealth.org.uk)

The review of disability employment strategy follows on from the publication of Fulfilling Potential and Government plans to publish a revised strategy in the autumn of 2013. A series of task and finish groups and regional stakeholder meetings are feeding into the development of the strategy.

The performance of the Work Programme in supporting disabled customers has been very poor to date. Work Choice delivers far higher job outcomes but there are concerns about the ability of those customers with higher support needs to access support through the programme.

There are many specialist employment support services across the country that receive no DWP funding. They are locally commissioned but financial cutbacks are threatening their ability to meet local demand.

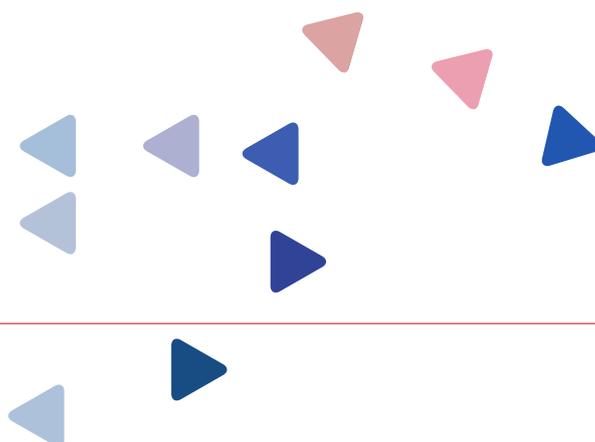
As a national charity, BASE promotes the principles and delivery of high quality Supported Employment services. Supported Employment is an internationally recognised model of specialist support that has successfully delivered job outcomes for over 30 years<sup>3</sup>. It survives on fragmented funding and is not a statutory service within adult social care where much of its local government funding lies.

We know it works, but DWP has not yet funded it as a distinct delivery model. We believe that it can successfully meet the employment aspirations of those people whose disability means that they require more personalised, intensive and long-lasting support. As a model, it can also be used to support young people leaving care, ex-offenders with complex needs and people recovering from alcohol or drug misuse.

The challenge of this strategy review is to identify what works and to differentiate and resource the various forms of support available depending on customer need. Those people with the highest support needs are also likely to be using a range of local provision across health, education and social care and it seems to make sense to integrate specialist employment support into this local offer. This would free the national programmes to get on with what they do best.

Supported Employment isn't complicated. It's about getting a good job match so that its sustainability is maximised. To do this successfully requires a detailed and holistic understanding of each customer's circumstances, strengths and aspirations. It also requires an in-depth knowledge of the job vacancy so that any skills deficit can be identified and addressed.

Beyond that, it's about selling the concept to employers, jobseekers and their families. This has to be followed up by high quality support from professional practitioners who have the skills, knowledge and attitudes required to undertake the role. One of the things that characterises Supported Employment is the long-term support that is offered to employers. Done well, it changes lives; not just the jobseeker's but also those of employers and families.



<sup>3</sup> European Union for Supported Employment: [www.euse.org](http://www.euse.org)

# Three strands of support

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We recognise the need for a national mainstream employment programme. Many people are successful in finding employment by themselves but many will need support to do this. The mainstream programme should do what it does best – offer generic support to people with non-complex needs.

We believe that there is also a demonstrable need for a disability employment programme. Work Choice has been described as a specialist programme but it is clear that many of those people who most need its help have struggled to access Work Choice. The statutory referral organisation route into the programme has not addressed those concerns about access. This is deeply frustrating given that the original ambition for Work Choice was to support that PSA 16 group<sup>4</sup>.

BASE therefore proposes that DWP engages with local authorities and health trusts to support the local commissioning of high quality support services for those people who need the more intensive support of Supported Employment.

## Work Programme

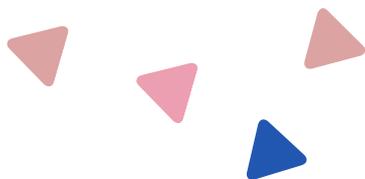
The Work Programme has failed disabled customers. The job outcome rate is unacceptably poor and there have been calls to transfer resources from the programme to Work Choice<sup>5</sup>.

After two years, the job outcome rates for new ESA claimants is 5.3%, compared to a minimum service level expectation of 16.5%, and 2.8% for existing IB/ESA customers<sup>6</sup>. There is little, if any, evidence that differential payments have incentivised the support of customers with more complex needs.

We have concerns, particularly, around the experience of profoundly deaf customers on the programme but many people with learning disability, mental health needs and autism conditions are being found fit for work and mandated to the Work Programme. We have also heard of people who have volunteered to enter the Work Programme but have not been told that they cannot leave it before the two years is completed and are liable to sanctions if they do.

## Recommendations:

- » The Work Programme should focus on delivering mainstream support to customers who do not face complex health and support needs. This will include a large number of disabled customers.
- » Significant resources should be redirected from the Work Programme to the Work Choice programme so that it can support increased numbers of customers who require more personalised support based on face to face contact with a personal advisor.



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<sup>4</sup> Public Service Agreement 16 focused on improving employment and accommodation outcomes for people with moderate/severe learning disabilities, people using secondary mental health services, young people leaving care and ex-offenders. [http://www.realroles.org/rrdocs/PSA\\_indicators.pdf](http://www.realroles.org/rrdocs/PSA_indicators.pdf)

<sup>5</sup> Work and Pensions Committee: Can the Work Programme work for all user groups? (House of Commons, 2013) [www.publications.parliament.uk/pa/cm201314/cmselect/cmworpen/162/162.pdf](http://www.publications.parliament.uk/pa/cm201314/cmselect/cmworpen/162/162.pdf)

<sup>6</sup> Work Programme data (DWP, May 2013): [www.gov.uk/government/publications/work-programme-statistical-summary-june-2013](http://www.gov.uk/government/publications/work-programme-statistical-summary-june-2013)

## Work Choice:

Work Choice was introduced in 2010, replacing the Workstep and Work Preparation programmes that had been delivered by over 200 providers, some national but most locally based.

### It aimed to deliver:

- » A greater focus on those who need specialist support.
- » Less prescription and greater flexibility.
- » Better links between elements of provision.
- » Better consistency and quality of provision.
- » Provision for all types of disability.
- » More opportunity for the customer to exercise choice and control.
- » A greater focus on job entries.
- » Improved support for people in either employment or self employment.
- » Improved progression to unsupported employment.
- » A greater emphasis on achieving potential within longer-term supported employment.

There is now a clear consensus that a disability employment programme should continue after the Work Choice contracts end in 2015. Performance on Work Choice has steadily improved and most providers are either over or close to delivering job outcome rates of 30%<sup>7</sup>. Contractors expect this to continue to improve and are hopeful of achieving over 50% by 2015.

The evidence of this data suggests that Work Choice appears to work well for most disabled customers. Nevertheless, access to the programme is problematic for some. Referral to the programme is through the Jobcentre Plus Disability Employment Advisor (DEA). A system of Statutory Referral Organisations (SROs) was established so that health and social care organisations could refer directly to the programme. This SRO route has not worked well and has resulted in few referrals of PSA 16 group customers.

BASE, along with other organisations, campaigned for Module 1, the pre-job phase of Work Choice, to be extended from 6 months to 12 months.

Despite this change it appears that DEAs are still viewing people with substantial learning disabilities, mental health needs or autism as unlikely to achieve a job outcome in this time period and so not referring them to Work Choice. It seems perverse that the mainstream contract, the Work Programme, allows 24 months support for customers while the specialist programme is limited to 12 months.

DEAs have reported some inconsistency between the programme aim to focus support on those with the most complex needs and the expectation that those referred would be able to work for a minimum of 16 hours following the time-limited support of the pre-work module of the programme (Module One)<sup>8</sup>.

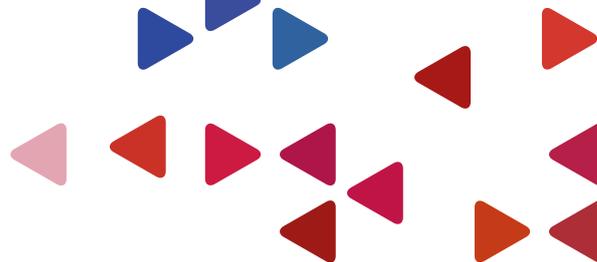
BASE believes that, with some modifications and tweaks, Work Choice can offer a good service to many, but not all, disabled customers.

If more customers are to be referred to Work Choice, rather than the Work Programme, then there will have to be discussions about whether Work Choice is enlarged or uncapped. An uncapped programme would be problematic with the continuation of service fees. A fully uncapped programme, with no service fees, runs the risk of cherry-picking of participants. We believe that there should be a middle ground option that offers some service fees, albeit reduced, and offers payments for outcomes and sustainability at a comparable rate to the Work Programme.

Unlike the Work Programme, contract package areas for Work Choice have a single prime provider so that customers only have the choice between the sole contractor or Remploy provision. We have no data on the outcomes of Remploy's provision of Work Choice and would like to better understand who is being referred and what outcomes are being achieved. The Remploy Work Choice provision appears to be uncapped and is funded through a fixed block grant.

<sup>7</sup> Work Choice data (DWP, May 2013): [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/203397/wc\\_may13.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/203397/wc_may13.pdf)

<sup>8</sup> Work Choice evaluation (DWP, 2013): [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/210683/rep846.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/210683/rep846.pdf) p44



## Recommendations:

- » Work Choice should be recommissioned post-2015 in tandem with the Work Programme. It should be tendered at a fixed price with a focus on quality and outcomes. The programme should be enlarged to cater for those people with health issues or complex needs who are currently being failed by the Work Programme.
- » The payments and criteria for job outcomes and sustained employment should be more closely aligned with those available on the Work Programme. Service fees should be reviewed as part of that alignment process.
- » Referral should be on the basis of support needs rather than benefit entitlement.
- » Module 1 should be extended to two years to reflect the often lengthy journey towards employment.
- » The programme should continue to focus on offering more personalised support through face to face contact, individual mentoring and smaller caseloads.
- » Access to Work should be available to fund travel costs and workplace adjustments for people on Work Choice but it should not fund job coaching for people on the programme.
- » Work Choice should be subject to an independent inspection regime.

## A third way

There remains a clear gap in provision for those jobseekers with high support needs and it is proposed that Government work with local authorities and health trusts to address this.

We know that something like two thirds of people with learning disabilities, autism conditions or long term mental health needs want to work<sup>9</sup>.

Many people will be limited by their circumstances as to how many hours they feel that can work for but they should be encouraged to be economically active and contribute to their communities through work.

Expectations of employment are low. Successive reports have highlighted the need to improve expectations that people with a range of disabilities should participate in paid employment. There is a clear need for health and education sectors to improve their knowledge about the world of work and to enhance their focus on support leading to employment<sup>10</sup>.

Various initiatives launched over the last decade have sought to improve the employment rates of people with learning disabilities, autism conditions or long-term mental health needs. The Joint Investment Plans of 2001-2003 and Public Service Agreement 16 both had a focus on employment outcomes. Despite these initiatives, employment rates remain stubbornly low at around 7% for people with learning disabilities and 10% for people using secondary mental health services. We believe that the resourcing of specialist employment support has been too fragmented and inadequate to achieve lasting change.

We now have an opportunity to address this issue in a strategic manner. People requiring specialist employment support are generally in contact with a range of local services across education, health, and social care. Local agencies are dealing with a range of reforms to improve personalised support across these sectors and it makes sense for employment to be closely aligned.



<sup>9</sup> <http://www.learningdisabilities.org.uk/help-information/Learning-Disability-Statistics-/187693/>, NHS MH customer survey (NHS Surveys, 2010): <http://www.nhssurveys.org/survey/933>

<sup>10</sup> Improving Work Opportunities for People with a Learning Disability (DWP, 2006): [http://www.realroles.org/rrdocs/learning\\_disabilites\\_employment\\_report\\_july\\_06ver1.pdf](http://www.realroles.org/rrdocs/learning_disabilites_employment_report_july_06ver1.pdf)

Valuing Employment Now (HM Govt, 2009): <http://base-uk.org/knowledge/valuing-employment-now>

Realising Ambition (DWP, 2009): [www.official-documents.gov.uk/document/cm77/7742/7742.pdf](http://www.official-documents.gov.uk/document/cm77/7742/7742.pdf)



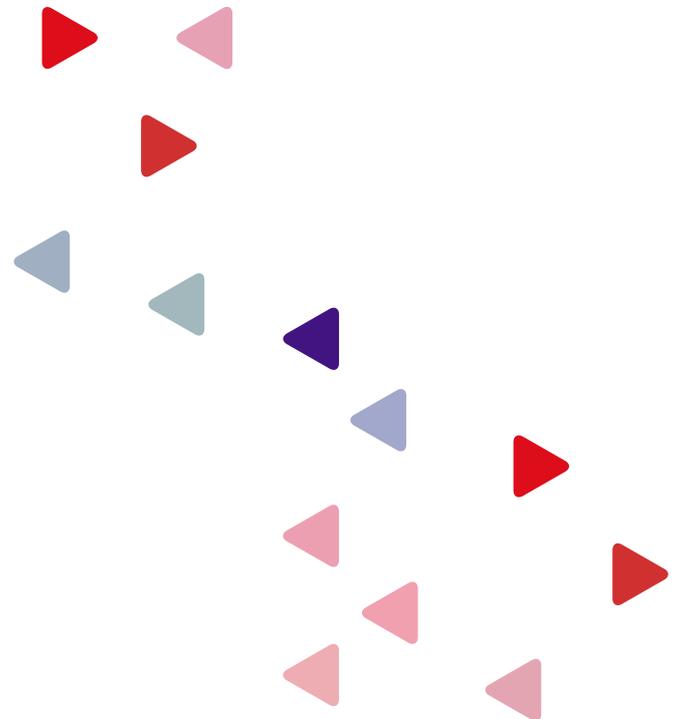
The Sayce Review proposed the wider use of personal budgets to fund employment support. There is no evidence that we've seen that this retail approach has proved successful. The use of personal budgets is actually in danger of undermining personalisation as its use becomes associated with the rationing of resources. BASE agrees with the use of personal budgets for those people who can control their own support across a range of life domains such as housing, care, travel and leisure but we do not believe that they are a suitable vehicle for the widespread funding of employment support; mainly because so much of the process includes activity that does not involve direct client contact e.g. employer engagement.

Pilot initiatives such as Jobs First<sup>11</sup> and Right to Control<sup>12</sup> have sought to braid separate funding streams but this has proven complex and bureaucratic. The evaluations have shown little evidence so far of customer demand for personal budgets. The notion of pooling different funding streams remains an attractive concept though and we believe that this can be achieved strategically through local collaboration.

BASE proposes that specialist employment support be based on a Supported Employment approach and be commissioned locally by a collaborative partnership comprising social care, health and education agencies and involving employers and Jobcentre Plus. This activity would be funded through pooled budgets. Crucially, job outcomes would attract payments in line with the Work Programme and Work Choice if they satisfy the payment criteria. This would mean local agencies pump-priming Supported Employment services but DWP paying outcome payments. The system could be administered by local authorities avoiding the need for direct contact between DWP and the wealth of providers involved. Local authorities would effectively become managing agents on behalf of the local partnerships, maintaining a list of locally approved providers.

## Recommendations:

- » DWP should engage with local authorities to establish local commissioning partnerships involving social care, health and education agencies as well as Jobcentre Plus and local employers. These partnerships should be led by local authorities and could potentially link with existing structures such as Health and Wellbeing Boards.
- » The local partnerships should establish the level of local need and commission Supported Employment provision to meet this demand using local approved provider frameworks.
- » The commissioned provision should deliver services in line with the National Occupational Standards for Supported Employment<sup>13</sup>.
- » DWP should reward employment outcomes, using DEL/AME principles, in the same way as they would for the Work Programme. The local authority should act as a managing agent to process claims.
- » Local provision should be encouraged to meet nationally agreed quality standards and these should be independently monitored through inspection.



<sup>11</sup> Jobs First interim evaluation (Kings College, London, 2011): [http://base-uk.org/files/%5buser-raw%5d/11-08/jobs\\_first\\_evaluation\\_interim\\_report\\_2011.pdf](http://base-uk.org/files/%5buser-raw%5d/11-08/jobs_first_evaluation_interim_report_2011.pdf)

<sup>12</sup> <http://odi.dwp.gov.uk/odi-projects/right-to-control-trailblazers.php>

<sup>13</sup> National Occupational Standards: <http://www.excellencegateway.org.uk/node/61>

# Commissioning

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BASE has consistently opposed the use of DWP's Commissioning Strategy<sup>14</sup> within specialist employment support. We predicted the loss of specialist support services, excessive management fees and a focus on cost rather than quality.

## **In our submission to the Work and Pensions Committee<sup>15</sup>, we warned of:**

- » a potential negative impact on specialist local provision;
- » a reduction in customer choice;
- » pressure to maximise profit through customer selection or "cherry-picking";
- » a reduction in the percentage of financial resources being spent on end delivery;
- » a disproportionate amount of time and staff resource spent on dealing with the timescales and complexity of the tendering process;
- » substantial disinvestment by local authorities and health organisations;
- » disconnection from local jointly planned and funded social inclusion initiatives;
- » a loss of knowledge regarding Supported Employment techniques;
- » market failure, particularly within third sector subcontractors.

Most Work Choice contracts have a very limited range of subcontractors and the only customer choice now is between the single Work Choice contract and Remploy's provision. The DWP Commissioning Strategy talked of DWP's stewardship of the market but this has failed to materialise. Merlin<sup>16</sup> has failed to address excessive management fees of up to 35%, overly bureaucratic data systems, and unpredictable customer flows.

DWP's framework for the provision of employment related services was meant to attract investment and innovation. The experience of subcontractors suggests that the model is not fostering innovative practice and that cash flow difficulties have led to many of them withdrawing from contracts.

The tendering process proved hugely bureaucratic and resource intensive for subcontractors and many felt badly treated by potential prime contractors. Far fewer specialist providers are involved as a result.

We have seen widespread disinvestment by local authorities in locally commissioned provision with a number of services closing and many being scaled back. Supported Employment is a non-statutory service and a recent survey suggested that over 40% of locally funded services have experienced a reduction in resources<sup>17</sup>. This is due to budget cuts but also an expectation that Work Choice would deliver appropriate support to meet local demand.

Local authorities have had to tighten the eligibility criteria for social care in response to budget cuts. This has led to an increasing number of people being deemed too independent to receive local employment support but too dependent to be referred to Work Choice .

The performance of Work Choice has improved steadily over the last two and a half years but there remain a number of questions about how well it supports people with more severe disabilities. Only 100 people who use secondary mental health services have been supported into jobs<sup>19</sup>. As with the Work Programme, there have been claims of cherry-picking and parking of customers. This was inevitable given the overly optimistic outcome forecasts and the demands of an under-resourced, target-driven programme design. We believe that commissioning should be on the basis of quality rather than price.

DWP has consistently failed to recognise the role of locally commissioned support and has a focus on those programmes that it funds directly. The Sayce Review<sup>20</sup> recommended that a specialist support programme should be aligned with Access to Work and that delivery of a new programme be based on the use of personal budgets. There is scant evidence that this retail approach is either wanted or effective.



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<sup>14</sup> DWP Commissioning Strategy (DWP, 2008): [www.dwp.gov.uk/docs/cs-rep-08.pdf](http://www.dwp.gov.uk/docs/cs-rep-08.pdf)

<sup>15</sup> [http://base-uk.org/files/page/10-04-dwp\\_commissioning\\_strategy/selectcommittee\\_commissioning\\_inquiry\\_sept08.pdf](http://base-uk.org/files/page/10-04-dwp_commissioning_strategy/selectcommittee_commissioning_inquiry_sept08.pdf)

<sup>16</sup> [www.merlinstandard.co.uk](http://www.merlinstandard.co.uk)

<sup>17</sup> [www.ndti.org.uk/uploads/files/SSCR\\_Summary\\_report\\_Jan\\_12\\_v2b.pdf](http://www.ndti.org.uk/uploads/files/SSCR_Summary_report_Jan_12_v2b.pdf)

<sup>18</sup> Bridging the Gap – Employment and Social Care in LD (University of Dundee, 2012): <http://www.sciencedirect.com/science/article/pii/S0016718512000759>

<sup>19</sup> Work Choice data (DWP, May 2013): [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/203397/wc\\_may13.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/203397/wc_may13.pdf)

Some local authorities have explored the use of personal budgets to fund individual support but have decided to continue with a more strategic approach to commissioning. Whilst there is a consensus on the need for more personalised support there seems to have been a presumption that the use of personal budgets is the only way to achieve this. We would argue that good quality Supported Employment is inherently personalised. How to fund provision is a totally different argument and the evidence seems to indicate that personal budgets are not the way to do it.

We propose that future commissioning be based on a much clearer understanding of what works, what it should cost, how long it should take, and what “good” looks like.

We know that Supported Employment works if done well. The evidence from Work Choice appears to show that the best practice is that which most closely follows the principles of Supported Employment – more personalised planning, better employer engagement, less reliance on group working, smaller caseloads, individualised support<sup>21</sup>.

A two-year sustained job outcome for a customer on the Work Programme who has been reassessed from Incapacity Benefits on to Employment and Support Allowance is valued at up to £13,720<sup>22</sup>.

Providers have two years to secure an outcome. Despite this, only 210 job outcomes have been secured for this customer cohort<sup>23</sup>. There is no evidence that the system of differential payments used by the Work Programme has led to better outcomes for disadvantaged customers.

The payment for a sustained job outcome on Work Choice is up to £6,000 for a prime provider; substantially less at under £4000 for the subcontractor. The job need only be sustained for six months but the provider has only one year to secure the outcome. We propose that there should be more equitable payments between the programmes and that a specialist programme should have up to two years to support a customer into employment.

Work Choice prime contractors are taking up to 35% in management fees meaning that their subcontractors are paid as little as £3000 for a sustained job outcome. This is leeching resources out of the programme that would be better spent on delivery.

We see no justification for management fees being higher than 10-15%, a figure achieved by one prime provider.

If more disadvantaged people are to benefit from Work Choice provision then it is essential that the programme becomes more viable for subcontractors. A higher proportion of the programme funding needs to be directed towards paying for the specialist support that subcontractors provide.

The target-driven culture of Work Choice has led to an element of game playing by providers as they seek to hit targets. Some providers are now offering employers a six-month wage subsidy that covers the full wage. This helps them to meet their targets but we have seen no data on how sustainable those jobs are.

Specialist support following the Supported Employment/IPS model should be commissioned locally but should attract outcome and sustainability payments from national funds. These could be routed via the local authority as a managing agent. We would recommend that Local Enterprise Partnerships are not the appropriate managing agent as they are too remote from actual service delivery.

## Recommendations:

- » Government should initiate discussion to gain agreement on acceptable pricing for job outcomes and sustained employment. This should recognise the cost of individualised support whilst rewarding a focus on job outcomes.
- » Contracts should be tendered on the basis of fixed pricing and be awarded on the basis of quality of provision. Contract targets need to be realistic and achievable.
- » Management fees should be fixed at 10%.
- » The overall budget should be top sliced to fund an inspection regime that produces user-friendly information for customers and employers.
- » Resources should be set aside to fund an independently delivered Provider Development Unit that identifies and disseminates best practice and supports contractors to improve the quality of their services.
- » Specialist support should be locally commissioned, at local authority level. Outcomes and sustainability should attract DWP payments through the managing agent.

<sup>20</sup> Getting in, staying in, and getting on (DWP, 2011): <https://www.gov.uk/government/publications/specialist-disability-employment-support>

<sup>21</sup> Work Choice evaluation (DWP, 2013): [www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/210683/rrep846.pdf](http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/210683/rrep846.pdf)

<sup>22</sup> Background information note (DWP, 2013): <https://www.gov.uk/government/publications/work-programme-official-statistics-background-information-note>

<sup>23</sup> Work Programme data (DWP, May 2013): [www.gov.uk/government/publications/work-programme-statistical-summary-june-2013](http://www.gov.uk/government/publications/work-programme-statistical-summary-june-2013)

# Employer engagement

Employers are integral to the success of employment support programmes but have had relatively little input into their design. They are not clear where to turn for advice and guidance and they face multiple approaches from a fragmented system.

Most local employment services struggle to engage corporately with national companies and the quality of their links with a company is largely dependent on the commitment of individual employees within the company.

Successive Governments have sent mixed messages to employers. On the one hand they are encouraged employers to take on disabled workers. On the other employers are subject to the message that claimants are feckless, workshy and not actively seeking work.

While Government engagement has focussed on the largest employers, there is some evidence that it is actually small and medium enterprises that are best at recruiting disabled workers<sup>24</sup>. BASE welcomes the recently launched Disability Confident initiative but more should be done to engage and support smaller companies.

It is well known that it is easier to negotiate recruitment with private sector organisations than with public employers. This is partly because of recent staffing cuts but also because of the rigidity of public sector recruitment processes. There should be clarity about the flexibilities that can be used by the public sector and how these relate to their duties under the Local Government and Housing Act 1989. Valued in Public<sup>25</sup> has shown that a bit of flexibility can go a long way to encourage more widespread recruitment of disabled jobseekers.



There is now a wealth of information, such as that on the NHS Employers website<sup>26</sup>, available to the public sector but a sea change in attitudes is needed within human resources departments. Any change must be led from the top.

It is understandable why employers tend to advertise vacancies on their websites and adopt online recruitment procedures. These tend, however, to limit applications from people with disabilities who may not have internet access and may be put off by a process which is seen as filtering out their application. People with learning disabilities, mental health needs or autism conditions don't tend to do well at traditional interviews – these can often turn out to be a comprehension test – and tend to do much better when they are given the opportunity to demonstrate their skills through working interviews. We think that Government can work with the Chartered Institute for Personnel and Development to publicise such adjustments and to get them included in learning for human resources professionals.

There has been some debate about the potential use of employer incentives to encourage the recruitment of disabled people. Britain is fairly unique within Europe in that it does not impose quotas or use wage incentives. Some providers are able to use schemes such as the wage subsidies used through the Youth Contract but these are restricted to Work Programme and Work Choice providers. Any incentives should be available to all providers regardless of programme. Some Work Choice providers have chosen to use six-month wage subsidies. There is little or no data available yet on the longer-term sustainability of these jobs. BASE supports their right to do this and we would recommend that any subsidies be tapered and that they are linked to employers agreeing to a minimum 12-month employment contract.

## Recommendations:

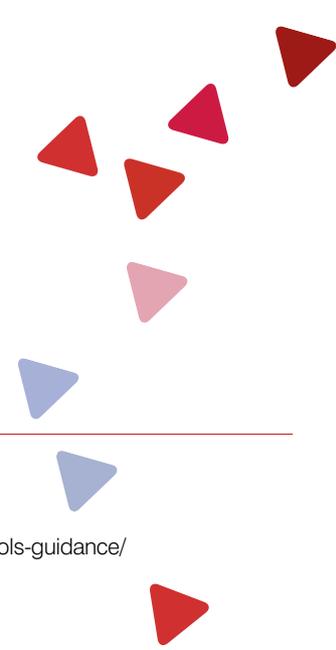
- » Employers should be actively encouraged to contribute to the design and evaluation of employment support programmes. There should be a particular emphasis on engaging people with direct experience of employing people with disabilities.
- » Government should portray a positive image of disabled people when discussing welfare entitlement issues.
- » Government marketing materials should cover the full range of provision and support available to employers and not focus on individual programmes.
- » The Disability Confident campaign should continue to engage with employers, particularly SMEs, to convey the benefits of recruiting and retaining workers with a wide range of disabilities, including hidden disabilities.
- » Any employer subsidies and incentives used by providers should be tapered.
- » Government should clarify the flexibilities that the public sector can use when recruiting disabled workers.
- » Reasonable adjustments to the recruitment process should be encouraged and diversity management should form part of the training for human resources professionals.

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<sup>24</sup> FSB: [www.fsb.org.uk/092/assets/fsb1934\\_back%20to%20work\\_web.pdf](http://www.fsb.org.uk/092/assets/fsb1934_back%20to%20work_web.pdf)

<sup>25</sup> Valued in Public (CSIP, 2005): [www.bossemployment.co.uk/uploads/employmentvalued.pdf](http://www.bossemployment.co.uk/uploads/employmentvalued.pdf)

<sup>26</sup> NHS employers organisation: <http://www.nhsemployers.org/EmploymentPolicyAndPractice/EqualityAndDiversity/tools-guidance/Creating-diverse-workforce/Pages/Creating-diverse-workforce.aspx>



# Assessing need

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We have reached a point where there is little clarity in how people are referred to particular employment support programmes. It often appears to bear no relation to their individual needs or welfare benefit entitlement.

On Work Choice during 2012-13, nearly 70% of customer referrals were for people in receipt of Jobseeker's Allowance. Just over a third of referred people had an entitlement to Disability Living Allowance. Only 17.3% of people referred were receiving incapacity benefits or ESA. There appears to be little difference in the outcomes achieved for each claimant group.

Meanwhile 166,440 IB/ESA claimants have been referred to the Work Programme, 13.8% of the total number referred. 4870 have secured a job outcome. In addition, a significant number of people with complex needs have been assessed as fit for work, awarded Jobseeker's Allowance and referred to the Work Programme with relatively little reward for the provider should they invest the significant resources needed to secure a job outcome.

There has been widespread debate about the effectiveness of Work Capability Assessments (WCA). Successive annual reviews have highlighted the need for improvements but it is clear that the system is far from satisfactory and fails to gather sufficient evidence to make reliable individual decisions.

The costs of appeals is soaring. During 2012-13, the cost of WCA appeals is reported to have reached £66m<sup>27</sup>. The process is causing widespread distress to claimants and discourages them from seeking work. We would like to see more encouragement so that people can try working without threatening their benefit entitlement. The loss of the 104-week rule was particularly disappointing.

If there is to be a rights and responsibility contract between individuals and society then claimants should be expected to actively engage in seeking work but should themselves expect to receive appropriate support. We would like to see more flexibility in enabling people to move between employment programmes where it is identified that alternative provision would be more appropriate. DEAs have a key role to play in this.

We would like to see an enhanced role for DEAs. They are well-placed to understand individual needs as well as gaps in local provision. It is essential that they have the knowledge, skills and time to undertake the role effectively and we would recommend exploring whether they would be better managed and supported through district teams.

## Recommendations:

- » The Work Capability Assessments should be urgently reformed so that evidence is routinely gathered to identify individual circumstances before a decision is made. They should consider health and support needs as a whole before identifying the most appropriate employment support pathway.
- » There needs to be a clearer and more flexible process for transferring customers between the different employment programmes where it is appropriate to their needs.
- » There should be a recognition that most people want to work. They do, however, require more personalised support and adequate time on programmes to make progress.
- » We would like more clarity on the impact of Universal Credit on people working under 16 hours a week and how it might operate with regard to permitted work.

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<sup>27</sup> Reported on Channel 4 News: <http://www.channel4.com/news/soaring-cost-of-disabled-benefit-appeals-revealed>

# Transition from Education

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BASE welcomes the current education reforms around SEN provision. The funding of study programmes and the use of single plans offers an opportunity to improve destinations by developing the skills and workplace experience of young people. Education providers will need to develop their job coaching skills or work in collaboration with external employment support services if these reforms are to achieve their potential.

Far too many young people have gone through an expensive 20-year education journey and emerged with no experience of the workplace. This is just not good enough and has to be addressed. The personal planning envisaged by Education Health and Care Plans (EHCPs) is to be welcomed but there is widespread concern that employment issues are not sufficiently stressed. They should be renamed Education Employment Health and Care Plans and should be made available up to the age of 25 years. The current proposals act as a disincentive to employment as the plan would cease once a person enters paid employment. BASE supports proposals for amendments to the legislation so that young people continue to receive a plan if they are employed.

Good quality careers guidance is not routinely available to young people. It should be. BASE would like to see a more standard approach across the country that guarantees access to good quality advice.

Most people learn about work by having Saturday and holiday jobs. This is often not an option for young disabled people. Every young person should be encouraged to undertake extensive work experience while at school and college. This work experience should be in a real workplace and not at charity shops or on education premises. Some schools have actively involved job coaches to support this activity and we would like to see clearer guidance on how it could be funded, possibly through the use of the Pupil Premium.

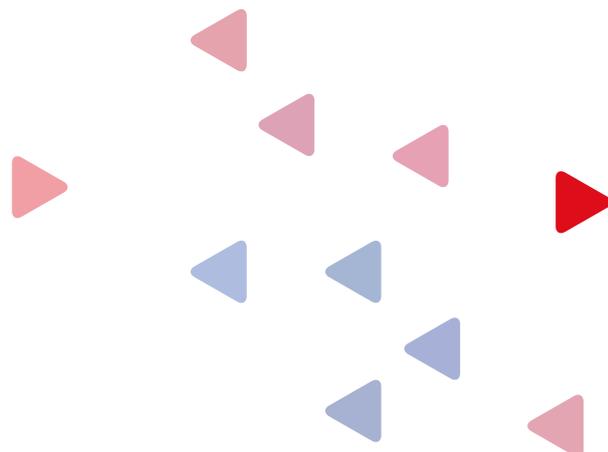
We welcome supported internships as a model for progressing from education to employment. Spending substantial time in a workplace, with different work placements, is a key way of raising expectations, developing appropriate behaviours and learning work skills. Providers will need time and support to develop these schemes and they should be encouraged to work collaboratively with Supported Employment services.

We have some concerns about the recent decision to allow the use of Access to Work to fund job coaching support within further education. We believe that there should be sufficient funding in the education system to fund job coaching and this has been demonstrated in Manchester, Surrey and Kent. There is a danger that Access to Work will double fund the resources already available through Element 2 and Element 3 funding. On the other hand, we are aware that the levels of Element 3 funding made available to local authorities are inadequate.

Local authorities will have to set out their local offer to young people and it is critical that specialist employment support becomes a key component of this.

## Recommendations:

- » Supported internships should continue to be rolled out nationally but support should be given to education providers to develop their schemes. Sufficient time should be allowed for employer engagement and there should be a greater focus on involving private sector employers. Schools and colleges should collaborate with Supported Employment providers.
- » Education Employment Health and Care Plans should contain a focus on achieving and maintaining employment outcomes and should be available from 14 years to 25 years whether or not the young person is in employment.
- » Participating in Supported Employment should count as employment with training in relation to the school leaving age.
- » It should be an expectation that extensive work experience will be made available for school and college learners.
- » There needs to be further debate about the levels of funding within education provision and whether Access to Work is needed to fund job coaching while the young person is in education.
- » Explore greater use of the Pupil Premium to fund job coaches within schools.



# Supported business

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Work Choice also funds protected places at a number of supported businesses across the country. Most are managed by local authorities but there are some within the voluntary sector. The payments of £4800pa per protected place are tied to Work Choice contracts and places have been freed up as some businesses have contracted or gone out of business. It is feared that a high proportion of businesses will face closure due to financial pressures if these payments are ended.

A number of supported businesses have realigned their activity within Work Choice so that they offer a model of intermediate labour market in addition to their core business. We understand that this has offered a successful progression route for many people on Work Choice and recommend that this continues under any new contract.

BASE has worked successfully with partners in Scotland, including the Scottish Government<sup>28</sup>, to create procurement frameworks based around Article 19 of the European procurement regulations.

This has seen an increasing number of contracts being awarded to the sector and we would like to see similar action taking place in England and Wales.

## Recommendations:

- » The protected places should continue to be funded during any extension of existing Work Choice contracts.
- » There should be further exploration of the potential role of supported businesses as intermediate labour markets and how future participants might be funded in relation to outcomes achieved.
- » Financing of protected places should continue beyond 2015 for legacy participants.
- » Government should seek to create procurement frameworks using Article 19.



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<sup>28</sup> <http://www.scotland.gov.uk/Topics/Government/Procurement/Procurement-News/NewsVault2012/helpforsuppbus>

# Job retention

Getting a job is just one stage of a person's employment journey. We believe that employers should be supported to retain and develop the career of their workers, disabled or not. Retention support should be routinely available and widely marketed by general practitioners and business support organisations.

There is ample evidence that ongoing employer support is a critical factor in sustaining jobs, particularly for people with complex needs. The support may be occasional but is then able to respond swiftly to changes to the worker's duties, changes in line management and other factors that might otherwise cause difficulties and could escalate to a crisis. Access to Work has a crucial role to play in supporting retention by funding ongoing occasional contact and support for employers.

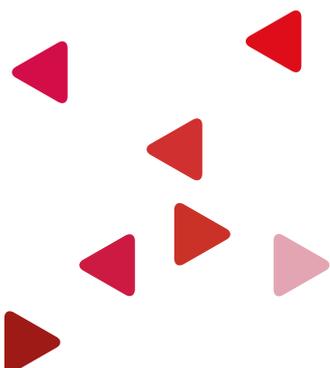
Work Choice has a role to play in taking job retention referrals but our understanding is that these do not attract a job outcome payment. We would recommend exploring the use of an outcome payment as a great deal of time and support is often needed to address the underlying issues that threaten the customer's employment.

BASE believes that IAPT<sup>29</sup> (Improving Access to Psychological Therapies) has a strong role to play in supporting job retention and we would like to see the emphasis on employment continued.

We are aware of several projects that have embedded employment specialists within GP surgeries and this has been particularly useful in raising the awareness of GPs around employment issues. It has also allowed for very early referral to specialist support. This support has included direct mediation in the workplace to identify issues and reach agreed solutions.

## Recommendations:

- » Job retention support should be routinely available and widely marketed.
- » IAPT, Access to Work and Work Choice all have a role to play in providing support but there needs to be coordination when marketing these options to employers and customers.
- » Work Choice job retention support should attract an outcome payment.
- » Government should encourage greater commissioning of employment support by Clinical Commissioning Groups



<sup>29</sup> <http://www.iapt.nhs.uk/>

# Workforce and Quality Issues

Supported Employment is a highly diverse job role and this has been recognised in the National Occupational Standards<sup>30</sup> for Supported Employment approved by the UK Commission for Employment and Skills in 2012.

We must ensure that staff are trained to carry out their role in supporting customers with complex needs. BASE has been working with the Learning and Skills Improvement Service (LSIS) and other partners to develop a Level 3 Certificate in Supported Employment<sup>31</sup> and this has now been approved by Ofqual and sits in the Qualification Curriculum Framework.

A course has also been accredited for Training in Systematic Instruction (TSI), a structured training methodology that is particularly useful in supporting people with more severe disabilities.

It is recommended that all specialist job coaches undertake the certificate and that commissioners expect provider staff to be appropriately trained.

High quality provision doesn't happen by itself. As well as trained staff, it needs good service management, strong contract management by commissioners and a system for reporting on quality assurance.

BASE believes that Supported Employment services should work to nationally recognised quality standards that build on the National Occupational Standards and demonstrate model fidelity. These should be independently monitored through an inspection regime.

Any quality assurance process will require systems for data collection. There are some excellent “off the shelf” systems available and good data collection would make it much easier to benchmark services.

We think that providers should receive support in improving the quality of their provision. The Provider Development Unit run by the Adult Learning Inspectorate was instrumental in improving the quality of Workstep provision and would do much to maintain quality by identifying and disseminating best practice across the sector.

## Recommendations:

- » Commissioners should make use of the National Occupational Standards for Supported Employment when planning investment in provision.
- » Government should support take up of the Certificate in Supported Employment
- » Government should engage with stakeholders to establish national service standards for Supported Employment and should establish an inspection regime to monitor them.
- » Government should establish a Provider Development Unit to support improved service quality.
- » Investigate the potential for a standard set of data collection tools for specialist employment support so that benchmarking is made easier.

<sup>30</sup> National Occupational Standards: <http://www.excellencegateway.org.uk/node/61>

<sup>31</sup> OCNER: [http://www.ocner.org.uk/qualification\\_search/646\\_ocn-eastern-region-level-3-certificate-for-supported-employment-practitioners-qcf](http://www.ocner.org.uk/qualification_search/646_ocn-eastern-region-level-3-certificate-for-supported-employment-practitioners-qcf)

## Further information

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