Disability and Employment in Scotland: A Review of the Evidence Base
DISABILITY AND EMPLOYMENT IN SCOTLAND: A REVIEW OF THE EVIDENCE BASE

Sheila Riddell
Moray House School of Education
University of Edinburgh

Pauline Banks
Strathclyde Centre for Disability Research
University of Glasgow

Teresa Tinklin
Centre for Educational Sociology
University of Edinburgh

Scottish Executive Social Research
2005
Further copies of this report are available priced £5.00. Cheques should be made payable to Blackwell’s Bookshop and addressed to:

Blackwell’s Bookshop
53 South Bridge
Edinburgh
EH1 1YS

Telephone orders and enquiries
0131 622 8283 or
0131 622 8258

Fax orders
0131 557 8149

Email orders
business.edinburgh@blackwell.co.uk

The views expressed in this report are those of the researchers and do not necessarily represent those of the Department or Scottish Ministers.

© Crown Copyright 2005
Limited extracts from the text may be produced provided the source is acknowledged. For more extensive reproduction, please write to the Chief Researcher at Office of Chief Researcher, 4th Floor West Rear, St Andrew’s House, Edinburgh EH1 3DG
ACKNOWLEDGEMENTS

We would like to thank Teresa Tinklin for help with the literature review, Sharon Vincent of the Scottish Executive for assistance in the editing process and members of the project advisory group for sharing their knowledge, insight and above all, their time.

Sheila Riddell, University of Edinburgh and Pauline Banks, University of Glasgow, November 2004
CONTENTS

List of Tables and Figures

Executive Summary 1-5

Chapter One  Background to the Review  6-11
  Introduction and aims of the review
  Scope of the review
  Disability and employment: UK and Scottish
    Government responsibilities
  Methods employed in the review
  Structure of the report

Chapter Two  Disabled People and Employment Policy and Legislation: the UK Context  12-34
  Introduction
  The UK Government’s employment and
    benefits policy for disabled people
  ‘Incapacity benefits’
  1998 Green Paper New Ambitions for our
    Country: A New Contract for Welfare
  2002 Green Paper Pathways to Work:
    Helping Disabled People into Employment
  The New Deal for Disabled People (NDDP)
  Benefits, tax credits and work incentives
  The Disability Discrimination Act
    (DDA) 1995
  The impact of the National Minimum
    Wage (NMW)
  Conclusions

Chapter Three  Disability and Employment in Scotland: a review of the data  35-61
  Introduction
  Definitions of disability
  The prevalence and distribution of disabled
    people in Scotland
  Economic activity amongst people with and
    without LLTI in Scotland
  Potential barriers to labour market
    participation
  Benefit receipt among disabled people
### Chapter Four
**Disabled People and Employment Policy and Legislation: the Scottish Context**  
**Introduction**  
The Scottish equalities agenda  
The Scottish social justice agenda  
Structures and agencies  
Conclusions

### Chapter Five
**UK and Scottish Programmes and Initiatives**  
**Introduction**  
Jobcentre Plus disability employment programmes  
Scottish programmes  
The effectiveness of forms of employment support  
Conclusions

### Chapter Six
**Experiences of Specific Groups**  
**Introduction**  
People with learning disabilities  
People with mental health problems  
People with chronic illnesses/progressive conditions  
People with sensory impairments  
Disabled young people  
Disabled students and graduates  
Older disabled workers  
Disabled parents and employment  
Employment and multiple disadvantage  
Absent voices: disabled people’s and employers’ perspectives  
Conclusions
Chapter Seven

Conclusion
Introduction
Summary of findings
Future research priorities
Implications of findings for different groups

References

Glossary

Appendix One
## List of Tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table 2.1</td>
<td>Number of benefit claimants by statistical group and per cent of the working age population represented by each group in May 2003</td>
<td>13</td>
</tr>
<tr>
<td>Table 2.2</td>
<td>Male incapacity benefit claimants August 2001 – top 20 DSS districts</td>
<td>15</td>
</tr>
<tr>
<td>Table 2.3</td>
<td>Per cent of working age population claiming incapacity benefits and employment rates of working age disabled people by JCP region/country</td>
<td>17</td>
</tr>
<tr>
<td>Table 2.4</td>
<td>Risk of poverty by disability and employment status</td>
<td>18</td>
</tr>
<tr>
<td>Table 2.5</td>
<td>Worklessness in working age households with and without disabled adults 2001</td>
<td>18</td>
</tr>
<tr>
<td>Table 2.6</td>
<td>Quintile distribution of household income (after housing costs) for working age adults by disability, GB 2001/2</td>
<td>19</td>
</tr>
<tr>
<td>Table 2.7</td>
<td>The reported conditions of incapacity benefit claimants, May 2002</td>
<td>21</td>
</tr>
<tr>
<td>Table 2.8</td>
<td>Trends in employment rates 1998-2002 (Great Britain)</td>
<td>31</td>
</tr>
<tr>
<td>Table 3.1</td>
<td>LLTI and age group by general health (percentage of people with and without LLTI whose health is good or fairly good in each age group)</td>
<td>37</td>
</tr>
<tr>
<td>Table 3.2</td>
<td>Prevalence of people with LLTI (aged 16-74) in Scotland, Northern Ireland, England and Wales (frequency and percentage)</td>
<td>38</td>
</tr>
<tr>
<td>Table 3.3</td>
<td>LLTI by gender and age group (percentage of males and females with LLTI in each age group)</td>
<td>41</td>
</tr>
<tr>
<td>Table 3.4</td>
<td>LLTI by ethnic group (frequency and percentage)</td>
<td>42</td>
</tr>
<tr>
<td>Table 3.5</td>
<td>Economic activity of Scottish disabled and non disabled people of working age (percentages)</td>
<td>43</td>
</tr>
</tbody>
</table>
Table 3.6  Economic activity by gender and LLTI (percentage of people with and without LLTI)  
Table 3.7  LLTI and approximated social grade by age group and gender (percentage of age group and gender category)  
Table 3.8  Level of education by LLTI, age and gender (percentage of age group and gender category)  
Table 3.9  LLTI and economic activity by highest qualification (percentage of people with and without LLTI within qualification grade)  
Table 3.10 Economic activity amongst working age people with LLTI by SHS Urban Rural Classification (frequency)  
Table 3.11 Allowances and awards of DLA by age and sex: Scotland, August 2003  
Table 3.12 Awards of DLA by disability: Scotland, year to August 2003  
Table 3.13 LLTI and age group by tenure (percentage of people with and without LLTI who own or rent their homes)  
Table 4.1 Percentage of working age people in employment in Scotland from relatively disadvantaged groups in the labour market, 1997-2003  
Table 5.1 Outcomes reported from the Interim Evaluation of Phase 2 of the New Futures Fund, 2003  
Table 6.1 Adults with learning disabilities who have employment opportunities  
Table 6.2 Estimated level of places in Scotland for people with mental health problems
# List of Figures

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 3.1</td>
<td>People of working age by different definitions of disability: United Kingdom, Autumn 2001, not seasonally adjusted</td>
<td>36</td>
</tr>
<tr>
<td>Figure 3.2</td>
<td>Proportion of population with LLTI by local authority (percentage)</td>
<td>40</td>
</tr>
<tr>
<td>Figure 3.3</td>
<td>Economic activity by LLTI and age group (percentage of people of working age)</td>
<td>44</td>
</tr>
<tr>
<td>Figure 3.4</td>
<td>General health by LLTI (percentage of people in Scotland of working age)</td>
<td>49</td>
</tr>
<tr>
<td>Figure 3.5</td>
<td>Proportion of people with LLTI in employment by LA (percentage)</td>
<td>52</td>
</tr>
<tr>
<td>Figure 3.6</td>
<td>Method of travel to work by LLTI (percentage of people in employment)</td>
<td>54</td>
</tr>
<tr>
<td>Figure 3.7</td>
<td>People of working age in receipt of incapacity benefits by local authority (percentage)</td>
<td>56</td>
</tr>
<tr>
<td>Figure 6.1</td>
<td>Stroke: standardised mortality ratios (SMR) by deprivation category and age group (1994-1998)</td>
<td>101</td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY

CONTEXT TO THE STUDY

1. Access to and sustainability of employment for disadvantaged and excluded groups is seen as of paramount importance in promoting social justice and Closing the Opportunity Gap – key concerns of the Scottish Executive. Disabled people are much less likely than non-disabled people to be economically active and households including a disabled person are more likely to have very low incomes. While employment is a policy area reserved to Westminster, responsibility for tackling barriers to employment for disabled people is shared between the Scottish and UK Governments. Helping people to obtain and retain work is a reserved matter, which means that policies such as the New Deal, tax/benefit reform and the National Minimum Wage are all reserved. However, these policies are delivered in partnership with the Scottish Executive and contributing Scottish organisations and the Scottish Executive has particular responsibility for training and skills enhancement.

THE AIMS AND OBJECTIVES OF THE STUDY

2. The central aims of this research review were to identify and discuss the evidence that is available through research and statistical data sources on the employment position of disabled people; to highlight where evidence is available, the role played by policy interventions to facilitate and promote labour market participation by disabled people; and to identify gaps in the current research base. The main objectives of the review were to explore the evidence base relating to the following themes:

- Rates of employment for disabled people within different types of mainstream employment, including self employment
- Barriers identified as standing in the way of accessing or participating in mainstream employment, including self employment
- The range of support mechanisms on offer to support access to and retention within employment, including self employment (e.g. Access to Work and direct payments) and the extent to which these are successful in promoting labour market participation for disabled people
- The role of specialist programmes and ILM initiatives for disabled people both in terms of practices within these initiatives and the long term trajectories of those who participate in them
- The evidence relating to the career trajectories and progression of disabled people within open employment and the factors that contribute to allowing career progression
The evidence relating to the potential business benefits of continued employment of disabled people over the long term
The impact of the Disability Discrimination Act on disabled people’s participation in employment both in terms of access to and opportunities within the labour market
The financial position of disabled people relative to others within the labour market, and the financial costs of work and disability both presently and in terms of pension protection.

RESEARCH METHODS

3. The research review included a literature review and statistical analysis. A range of published and unpublished literature was gathered using searches of social science databases and university catalogues and evaluations, reports and information on ongoing work was requested from a range of organisations and academics and discussions were held with key policy makers, practitioners and researchers in employment. The Scottish Executive supplied Census data, Labour Force Survey data and information on benefits receipt for the statistical analysis.

THE MAIN FINDINGS

4. The report outlines a wide range of findings in relation to the employment position of disabled people. Some of the most important findings are:

- Up to a fifth of the population of Scotland are affected by disability
- Despite economic growth and general improvements in the health of the population the number of people claiming disability related benefits continues to increase while the employment rate of disabled people remains low with employment programmes and equality legislation having only a modest impact on overall employment rates
- The incidence of disability, the employment rate of disabled people and the level of incapacity benefit receipt varies across Scotland with the Glasgow area having the highest incidence of disability, the lowest levels of employment of disabled people and the highest levels of incapacity benefit receipt
- Disabled people are far less likely to have qualifications than people without disabilities and this clearly has a negative effect on their employment outcomes
- When they are in employment disabled people are far more likely to be employed in low level occupations and are therefore likely to have lower incomes than people without disabilities
• Although the majority of economically inactive people in Scotland have a limiting long term illness, social justice and economic development policies have only recently begun to focus on this group
• Many different organisations are involved in providing employment services in Scotland resulting in some duplication of effort and disjunctions between the policies of Jobcentre Plus and the Scottish Executive
• Programmes aimed at disabled people rarely succeed in placing more than a fifth of participants in work but there is debate over the best way to measure programme outcomes particularly considering the extensive range of barriers which disabled people face
• The debate about whether policies for disabled people should be mainstreamed or impairment specific has not been resolved and there is some evidence that access to mainstream employment services may be restricted for disabled people.

**RESEARCH GAPS**

5. The report identified a number of areas where information is lacking in relation to disability and employment. Research gaps were identified in the following areas:

- There is a lack of Scottish data in relation to Jobcentre Plus programme evaluations and evaluations of the effects of legislative developments such as the Disability Discrimination Act and National Minimum Wage
- There is a lack of information on ‘what works’ in terms of successful employment policies for disabled people and more work needs to be done to develop outcomes measures for employment programmes for disabled people
- More research on the impact of key differences in disabled people’s experiences of employment and employment services in relation to nature of impairment, age, gender, ethnicity, social class and locality would be useful
- There is a need for more research which focuses on disabled people’s own experiences of employment and employment services
- There is a need for more research which focuses on employers’ perspectives
- More research needs to be carried out to increase our understanding of disabled children and young people’s experiences in school and their destinations on leaving school and to enable us to explain the wide discrepancy in qualifications between people with and without a disability
• Longitudinal research which tracks the career development of disabled graduates would be useful
• More research needs to be carried out to determine the complex nature of the various barriers to work for disabled people which may not necessarily be connected with their state of health
• The spatial dimension of disability and its interaction with employment, income and poverty requires further analysis.

IMPLICATIONS FOR STAKEHOLDERS

6. The report has a number of implications for key stakeholders.

7. The Scottish Executive and its agencies should:

• Continue their efforts to revitalise areas of long term industrial decline in Scotland
• Collaborate more closely with their UK counterparts to ensure that Scottish policies and initiatives articulate with those developed at UK level
• Ensure that the social justice and equality agendas are well linked in relation to disabled people
• Ensure there is close collaboration between health and employment services
• Ensure that disabled people are able to access employment programmes
• Ensure that the work of different agencies providing employment and training support to disabled people at local and national level are well articulated.

8. The UK Government and its agencies should:

• Consider the extent to which current programmes are removing the barriers to work for disabled people, particularly those facing multiple barriers
• Develop policies which recognise the link between adult and child poverty, poor housing, poor educational outcomes, economic inactivity and disability
• Continue and extend debates about the merit of specialist or mainstream services
• Continue to debate the ways in which programme outcomes should be measured, particularly the balance to be maintained between ‘hard’ and ‘soft’ outcome measures
• Ensure that disability issues are well understood and addressed and that Scottish issues are recognised.

9. Disabled people should:

• Continue to pressurise UK and Scottish governments for better access to education, training and employment and to ensure they are involved in policy development and evaluation
• Engage in the promotion of health and safety in the workplace and pressurise employers to make the necessary changes
• Request accessible information from relevant agencies on the impact of policy developments.

10. Employers should:

• Be much more closely involved in the planning and monitoring of employment initiatives for disabled people
• Increase their understanding of the factors which contribute to healthy working environments, particularly those affecting employees’ mental health and well being
• Be better informed about the support requirements of disabled employees and those on work placements.
CHAPTER ONE: BACKGROUND TO THE REVIEW

INTRODUCTION AND AIMS OF THE REVIEW

1.1 The central aims of this research review were to identify and discuss the evidence that is available through research and statistical data sources on the employment position of disabled people; to highlight where evidence is available, the role played by policy interventions to facilitate and promote labour market participation by disabled people; and to identify gaps in the current research base. The main objectives of the review were to explore the evidence base relating to the following themes:

- Rates of employment for disabled people within different types of mainstream employment, including self employment
- Barriers identified as standing in the way of accessing or participating in mainstream employment, including self employment
- The range of support mechanisms on offer to support access to and retention within employment, including self employment (e.g. Access to Work and direct payments) and the extent to which these are successful in promoting labour market participation for disabled people
- The role of specialist programmes and ILM initiatives for disabled people both in terms of practices within these initiatives and the long term trajectories of those who participate in them
- The evidence relating to the career trajectories and progression of disabled people within open employment and the factors that contribute to allowing career progression
- The evidence relating to the potential business benefits of continued employment of disabled people over the long term
- The impact of the Disability Discrimination Act on disabled people’s participation in employment both in terms of access to and opportunities within the labour market
- The financial position of disabled people relative to others within the labour market, and the financial costs of work and disability both presently and in terms of pension protection.

SCOPE OF THE REVIEW

1.2 Whilst some disabled people are employed full-time and others are not economically active at all, many work for a few hours...
a week, sometimes in work that is characterised as supported employment or training. The review looked at the full range of ways in which disabled people are connected to the labour market and the extent to which different types of vocational rehabilitation and training are successful in moving people back into full-time or part-time employment. Self-employment and participation in social firms and supported employment was also explored.

1.3 The main focus of the study was on Scotland, but comparisons were also made with UK data and the research has been placed within an international context. In addition to examining the academic literature and published reports of national and local interventions, the review accessed unpublished evaluations. Some work in the area has been undertaken by students in the context of Masters and doctoral programmes, and these dissertations have been reviewed.

1.4 A broad definition of disability was used in the review, in line with the Disability Discrimination Act, which defines a person as disabled if they have a mental or physical impairment which has a long-term and adverse effect on their ability to perform normal day-to-day activities. This includes people with learning disabilities, mental health problems, physical and sensory impairment, multiple/complex difficulties, progressive conditions or chronic illnesses. It recognises that an individual may have an impairment from birth, or that impairments may arise as a result of accident, injury, illness or the ageing process. It should be noted that this definition of disability is not applied universally. Government agencies use different definitions of disability in a range of administrative categories, for example, Incapacity Benefit claimants are categorised according to an International Classification of Diseases. There is also a slippage between the terms ‘disability’ and ‘impairment’, with the former term often being used to denote impairment. In this review, the language adopted by the particular government agency or researcher has been used.

1.5 It should also be noted that there are important distinctions between the terms employed, unemployed and economically active/inactive. Again, the terminology used within the particular study under review has been adopted.
1.6 The focus of the review was on the working age population (16–64 for men, 16-59 for women). It should be noted, however, that the definitions of disability used by some organisations do not map exactly onto the DDA definition. Careers Scotland, for example, operates with the concept of additional support needs which includes disabled young people, those with emotional and behavioural difficulties and care leavers. Following the enactment of the Education (Additional Support for Learning) (Scotland) Act, the definition of additional support needs used in schools will fit more closely with that used in the post-16 setting.

DISABILITY AND EMPLOYMENT: UK AND SCOTTISH GOVERNMENT RESPONSIBILITIES

1.7 Both the Westminster and Holyrood parliaments have some degree of responsibility for disability and employment policy. Responsibility for employment and social security policy rests with Westminster, although Scotland has responsibility for local economic development and post-16 education and training. Jobcentre Plus, embracing the former Employment Service and Benefits Agency, operates throughout England, Wales and Scotland. Amongst a range of activities, it provides guidance and employment support services for disabled people. Scottish Enterprise and Highlands and Islands Enterprise have responsibility for training and local economic development in Scotland, funding Modern Apprenticeships, Get Ready for Work and Training for Work programmes, which are managed by Local Enterprise Companies. Careers Scotland, the national all-age guidance service within the Enterprise Networks, provides the Personal Advisory Service aspect of the Get Ready for Work programme for 16-18 year olds with additional support needs.

1.8 There is similar complexity in the division of responsibility for equality matters. The power to pass equality legislation is reserved to the Westminster Parliament, partly because this is strongly linked to employment legislation, which is a reserved matter. However, Schedule 5 of the Scotland Act 1988 allows the Scottish Parliament to encourage (other than by prohibition or regulation) equal opportunities and to place duties on devolved public bodies to ensure they meet the requirements of Westminster equality law.
1.9 In line with the social justice agenda, there is a commitment to mainstream social justice throughout the Scottish Executive’s policy proposals and funding plans, and to report publicly on the extent to which progress is being made in different areas. The document *Closing the Opportunity Gap* (Scottish Executive 2004a) sets out the key policy agenda and targets for key departments. There is, therefore, a considerable degree of overlap between the responsibilities of the Westminster and Holyrood Parliaments in relation to disability and employment. Because the boundary is not clear-cut, there has been some anxiety in each country not to ‘tread on the others’ toes’. However, it is clear that the Scottish Parliament sees employment policy as an area of great importance in achieving the twin goals of promoting economic prosperity and social justice.

1.10 Scotland’s policies on employment and disability cannot be understood unless they are placed in the wider UK context. This report therefore reviews key UK developments before considering their implications for Scotland. Some European and wider international developments, particularly in the field of anti-discrimination legislation, are also discussed.

**METHODS EMPLOYED IN THE REVIEW**

*Literature search*

1.11 Letters requesting relevant evaluations and reports were sent to a range of organisations. In addition, academics working in the area were approached to request information on their ongoing work (see Appendix 1 for details of organisations and academics who were contacted) and discussions were held with key policy-makers, practitioners and researchers in employment in Scotland and Great Britain.

1.12 A range of relevant literature was gathered. Searches of social science databases were carried out and relevant texts were obtained. University catalogues were used to identify and access MSc and PhD dissertations. Policy and legislative documents were gathered, relating to Scotland, the UK and Europe. Key reports from UK and Scottish government agencies were accessed. In addition, literature already known to the team was gathered.
1.13 Meetings were held with Scottish Executive statisticians to discuss the data sets to be used to extract information in relation to disability and employment. It was decided to focus on Labour Force Survey and Census data. The initial analysis sought to compare individuals of working age (under 60 for women, under 65 for men) who answered ‘yes’ to Q8 in the census *Do you have any long-term illness, health problem or disability which limits your daily activities or the work you can do?*, with individuals who answered ‘no’ to this question. Scottish data were compared with the UK as a whole. The Scottish Executive publishes information relating to disability related benefits and data were also drawn from *Benefits and Tax Credits in Scotland: Report for February 2003* (Scottish Executive, 2003a).

1.14 Since many (but not all) aspects of employment, social security and equal opportunities policy and legislation are reserved, the report begins in Chapter 2 by describing and analysing UK policy on disability and employment. The impact of anti-discrimination and national minimum wage legislation is discussed and key initiatives are reviewed such as the New Deal for Disabled People and the reform of Incapacity Benefit. Ongoing problems are highlighted, including the growth in many Western countries in the number of people who say they are unable to work as a result of long-term illness or disability. Debates about the best ways of tackling this problem are discussed. Chapter 3 presents data on disabled people’s participation in the labour market in Scotland, drawing on Labour Force Survey and Census data. In Chapter 4, the report discusses specific aspects of disability and employment policy developed in Scotland post-devolution. Chapter 5 examines the impact of vocational rehabilitation initiatives funded by Jobcentre Plus and other forms of employment support which have developed in Scotland such as supported employment and social firms. Key issues are explored, including the groups of disabled people who should be targeted for employment support, the ways in which provision should be funded and how individual progress and programme outcomes should be measured. The extent to which support for disabled people should be part of mainstream provision, geared towards the needs of all disabled people or targeted at specific groups (e.g.
people with visual impairments) is considered. Having outlined the arguments for and against specialist provision, in Chapter 6 the report discusses targeted initiatives which have been developed in light of the barriers encountered by specific groups. Again, both UK and Scottish data are referred to. The final chapter draws together findings from the preceding discussions, highlighting what is known about the position of disabled people and the labour market in Scotland, to what extent this differs from the picture in the rest of the UK and the areas where further research is needed in the future. The final chapter also includes a summary of the policy implications for the Scottish Executive and other key stakeholders.
CHAPTER TWO: DISABLED PEOPLE AND EMPLOYMENT POLICY AND LEGISLATION: THE UK CONTEXT

INTRODUCTION

2.1 As noted in Chapter 1, Scotland’s policies on employment and disability cannot be understood unless they are placed in the wider UK context. The report therefore reviews key UK developments before considering their implications for Scotland. This chapter looks at the UK government’s employment and benefits policies for disabled people including incapacity benefits, the New Deal for Disabled People, other benefits, tax credits and incentives, the Disability Discrimination Act and the National Minimum Wage.

THE UK GOVERNMENT’S EMPLOYMENT AND BENEFITS POLICY FOR DISABLED PEOPLE

2.2 The UK Government’s strategy to achieve social inclusion and tackle poverty is based to a large extent on encouraging greater labour market participation. In relation to disabled people, this can be problematic since, for some people, work may be impossible or very difficult as a result of an impairment, social barriers, discrimination, lack of confidence or skills and/or lack of jobs. As is evident from the following review of key policy documents, in encouraging disabled people into employment, the balance to be struck between coercion and incentivisation is delicate. There is always a danger that the pendulum may swing too far in the direction of encouraging employment, with the danger that insufficient attention is paid to the adequacy of benefits.

2.3 Over the past decade, in all industrialised societies there have been growing concerns about the number of workers leaving the labour market as a result of illness or disability and becoming permanent claimants of disability benefits (Mashaw et al., 1996; Thornton, 1998; BSRM, 2000; Bloch & Prins, 2001; Van Oorschot and Hvinden, 2000). Governments regularly express concerns about early exit from the labour market by middle aged and older workers, and question whether high levels of expenditure on disability benefits can be maintained. There are debates about the best way of reducing the number of disability benefit claimants, and the balance to be struck between incentivising work and making disability benefits less accessible.
In addition, the extent to which the state or the employer should bear responsibility for rehabilitation and retention of disabled workers has also been debated.

‘INCAPACITY BENEFITS’

2.4 In Great Britain the number of people claiming incapacity-related benefits has trebled over the past twenty years (House of Commons Work and Pensions Committee 2003a, 2003b). ‘Incapacity benefits’ is a generic term, used throughout the report, which covers Incapacity Benefit, Income Support (on the grounds of incapacity) and Severe Disablement Allowance. The number of people claiming incapacity benefits stands at 2.7 million and involves an expenditure of £16 billion pounds a year. By way of contrast, the number of people claiming Jobseekers Allowance (JSA) has fallen. In November 2002 there were 872,000 JSA claimants, at a cost of £4 billion. Incapacity benefit claimants are unlikely to move back onto JSA or into work: about 45% of incapacity benefit claimants have been on the benefit for five years or more, whereas between November 2001 and November 2002 there was a fall of 11.3% in the number of people claiming JSA for more than a year (House of Commons Work and Pensions Committee 2003a).

2.5 In May 2003, disabled claimants made up over 60% of the total benefits caseload (Stanley and Regan, 2003). Table 2.1 shows the proportion of the working age population claiming out of work benefits in 2003:

<table>
<thead>
<tr>
<th>Statistical Group</th>
<th>Number of Claimants (thousands)</th>
<th>Per cent of Working Age Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>4,951</td>
<td>14.1</td>
</tr>
<tr>
<td>Sick or disabled</td>
<td>3,052 (61.6%)</td>
<td>8.7</td>
</tr>
<tr>
<td>Unemployed</td>
<td>883 (17.8%)</td>
<td>2.5</td>
</tr>
<tr>
<td>Lone Parents</td>
<td>826 (16.7%)</td>
<td>2.4</td>
</tr>
<tr>
<td>Others</td>
<td>190 (3.8%)</td>
<td>0.5</td>
</tr>
</tbody>
</table>

2.6  It shows that 8.7% of the working age population were claiming at least one disability-related benefit, out of 14.1% of the total working age population who were claiming some form of benefits. According to the Labour Force Survey, which provides labour market information for GB, only about half of people with long-term ill-health or disability are in employment. People are classed as ‘economically inactive’ if they are either not looking for work, would be unable to take up a job if they were offered one or because they do not want to work. One million of those who are economically inactive have said they would actually like to work (Stanley and Regan, 2003). This has led the government to refer to the ‘missing million’ and to seek ways of enabling these ‘discouraged workers’ to re-enter the labour market. However, as argued by Burchardt (2003), disabled people are particularly vulnerable to social exclusion, so that they are one of the first groups to lose employment when there is a downturn in the economy. Even during periods of economic growth, disabled people’s position in the labour market often remains tenuous as employers are more likely to recruit non-disabled people.

2.7  There has been particular concern about the geographical concentration of economic inactivity in former mining areas, inner cities and some coastal towns. In such areas of Britain, up to a third of working age men, usually with few or no academic qualifications, are likely to be economically inactive. Many of these men are claimants of incapacity benefits and are therefore classified as disabled rather than unemployed. Table 2.2 presents data on the top 20 districts in GB in terms of proportions of male incapacity benefit claimants.
Table 2.2: Male incapacity benefit claimants August 2001 – top 20 DSS districts

<table>
<thead>
<tr>
<th>DSS District</th>
<th>% of 16-64 year old men</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Merthyr Tydfil</td>
<td>26.9</td>
</tr>
<tr>
<td>2. Easington</td>
<td>26.2</td>
</tr>
<tr>
<td>3. Glasgow</td>
<td>20.7</td>
</tr>
<tr>
<td>4. Blaenau Gwent</td>
<td>19.8</td>
</tr>
<tr>
<td>5. Liverpool</td>
<td>18.9</td>
</tr>
<tr>
<td>6. Neath Port Talbot</td>
<td>18.9</td>
</tr>
<tr>
<td>7. Rhondda Cynon Taff</td>
<td>18.2</td>
</tr>
<tr>
<td>8. Caerphilly</td>
<td>18.0</td>
</tr>
<tr>
<td>9. Knowsley</td>
<td>17.8</td>
</tr>
<tr>
<td>10. Inverclyde</td>
<td>17.4</td>
</tr>
<tr>
<td>11. Wear Valley</td>
<td>17.1</td>
</tr>
<tr>
<td>12. Torfaen</td>
<td>16.2</td>
</tr>
<tr>
<td>13. Barnsley</td>
<td>16.1</td>
</tr>
<tr>
<td>14. Manchester</td>
<td>16.1</td>
</tr>
<tr>
<td>15. Gateshead</td>
<td>15.9</td>
</tr>
<tr>
<td>16. Carmarthenshire</td>
<td>15.8</td>
</tr>
<tr>
<td>17. North Lanarkshire</td>
<td>15.4</td>
</tr>
<tr>
<td>18. South Tyneside</td>
<td>15.3</td>
</tr>
<tr>
<td>19. Anglesey</td>
<td>15.2</td>
</tr>
<tr>
<td>20. St Helens</td>
<td>16.2</td>
</tr>
</tbody>
</table>

Source: Beatty, Fothergill, Gore and Green (2002)

2.8 Beatty and Fothergill (1999, 2003) argued that, in terms of their personal and social characteristics, incapacity benefit claimants were very similar to those classified as unemployed. They suggested that the high numbers of incapacity benefit claimants in areas of industrial decline may to some extent have reflected a deliberate policy in the 1980s to encourage people to claim incapacity benefit rather than register as unemployed in order to mask the true rate of unemployment. Beatty et al (2000) are the major proponents of the thesis that incapacity benefit claimants represent hidden unemployment. They have argued that
official unemployment statistics conceal the true rate of unemployment in areas of industrial decline such as Clydeside, South Wales and the North East. This has negative outcomes for these regions, because they miss out on the allocation of European Structural Funds which are based on the ILO definition of unemployment. Other implications are embedded in the theory of hidden unemployment, in particular the suggestion that incapacity benefit claimants are not ‘really’ disabled, but are simply using their benefit status to claim a higher rate of support and to avoid pressure to seek employment. The report of the House of Commons Work and Pensions Committee (2003a, 2003b) and the TUC report on disability, work and poverty (2003) considered these arguments. Both reports emphasised that government investigations indicated a very low level of fraud in relation to incapacity benefit claims. Both reports supported greater efforts to support disabled people in moving from benefits to work, including far more emphasis on job retention, greater investment in rehabilitation and more financial support for people attempting to move from benefits into work. Indeed, the TUC report proposed that the Government should commit itself to the ambitious target of achieving a 60% employment rate for disabled people, rather than its present commitment to ‘a significant reduction’ in economic inactivity of this group. The idea that disabled people should be compelled to seek work was rejected by both reports.

2.9 There are clearly stark contrasts in the percentage of working age people claiming incapacity benefits in different parts of GB as shown by Table 2.3 (although it should be noted that the figures are subject to seasonal variations). The table suggests a strong association between the vibrancy of the local economy and the number of working age people claiming incapacity benefits. Conversely, the employment rates of people with a long term limiting illness or disability also vary greatly by region/country.
Table 2.3: Per cent of working age population claiming incapacity benefits and employment rates of working age disabled people by JCP region/country

<table>
<thead>
<tr>
<th>JCP Region/Country</th>
<th>Per cent of working age population claiming incapacity benefits, May 2003</th>
<th>Employment rates of working age disabled people, Summer 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>South East</td>
<td>5.3</td>
<td>60%</td>
</tr>
<tr>
<td>East</td>
<td>6.0</td>
<td>58%</td>
</tr>
<tr>
<td>South West</td>
<td>7.1</td>
<td>59%</td>
</tr>
<tr>
<td>London</td>
<td>7.2</td>
<td>45%</td>
</tr>
<tr>
<td>East Midlands</td>
<td>8.1</td>
<td>50%</td>
</tr>
<tr>
<td>West Midlands</td>
<td>8.9</td>
<td>50%</td>
</tr>
<tr>
<td>Yorkshire &amp; Humberside</td>
<td>9.1</td>
<td>49%</td>
</tr>
<tr>
<td>Scotland</td>
<td>11.3</td>
<td>39%</td>
</tr>
<tr>
<td>North West</td>
<td>11.9</td>
<td>43%</td>
</tr>
<tr>
<td>North East</td>
<td>12.8</td>
<td>39%</td>
</tr>
<tr>
<td>Wales</td>
<td>13.5</td>
<td>40%</td>
</tr>
</tbody>
</table>


2.10 There are evidently particular issues for Scotland with regard to the percentage of the working age population claiming incapacity benefit and the proportion of long-term disabled adults in employment. There is also considerable local variation within Scotland: Table 2.2 showed that three districts in Scotland (Glasgow, Inverclyde and North Lanarkshire) had particularly high numbers of male incapacity benefit claimants. Local economic development activity and research activity in Scotland has begun to address these issues (see Chapter 4), although, until relatively recently, the focus was on getting the unemployed rather than long-term disabled people into work.

2.11 There is a strong association between disability, worklessness and poverty as indicated by Table 2.4:
Table 2.4 Risk of poverty\(^1\) by disability and employment status

<table>
<thead>
<tr>
<th>Household type</th>
<th>Proportion in poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household with one or more disabled adult</td>
<td>30%</td>
</tr>
<tr>
<td>Household with no disabled adult</td>
<td>16%</td>
</tr>
<tr>
<td>Households with one or more workers</td>
<td>12%</td>
</tr>
<tr>
<td>Workless households</td>
<td>65%</td>
</tr>
</tbody>
</table>

Source: Households Below Average Income 1994/5 2001/2, DWP 2003, Table 5.7

2.12 The risk of poverty is clearly associated with employment status and as Table 2.5 shows, households containing disabled people are far more likely to be workless:

Table 2.5 Worklessness\(^2\) in working age households with and without disabled adults 2001\(^3\)

<table>
<thead>
<tr>
<th>Household type</th>
<th>Worklessness rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households containing at least one disabled adult</td>
<td>31.1%</td>
</tr>
<tr>
<td>Households containing no disabled adult</td>
<td>9.6%</td>
</tr>
</tbody>
</table>

Source: calculated using data from Smith, A and Twomey, B, Labour Market Trends, August 2002, Table 8

Table 2.6 shows the quintile distribution of household income for working age adults by disability and clearly shows that families with one or more disabled adults are likely to be poorer.

---

\(^1\) Poverty is defined as 60% below the median income, equivalised for differences in the composition of the household. This is the current definition favoured by the UK Government.

\(^2\) Workless households are defined as households where all adults are ILO unemployed plus households where adults are ILO unemployed or economically inactive plus households where all adults are economically inactive.

\(^3\) Figures are for Autumn 2001 and are not seasonally adjusted.
Table 2.6: Quintile distribution of household income (after housing costs) for working age adults by disability, GB 2001/2

<table>
<thead>
<tr>
<th>Family</th>
<th>Bottom quintile</th>
<th>Second quintile</th>
<th>Third quintile</th>
<th>Fourth quintile</th>
<th>Top quintile</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 or more disabled adults</td>
<td>28%</td>
<td>21%</td>
<td>19%</td>
<td>17%</td>
<td>15%</td>
</tr>
<tr>
<td>No disabled adults</td>
<td>15%</td>
<td>14%</td>
<td>19%</td>
<td>24%</td>
<td>28%</td>
</tr>
</tbody>
</table>


1998 GREEN PAPER NEW AMBITIONS FOR OUR COUNTRY: A NEW CONTRACT FOR WELFARE

2.13 The 1998 Green Paper (New Ambitions for our Country: a New Contract for Welfare) (Department of Social Security, 1998) set out the UK Government’s position on social security and employment, recognising the links between the two. The central thrust of policy was to provide ‘work for those who can, security for those who cannot’. In relation to disabled people, policy aims included introducing effective civil rights for disabled people; removing the barriers to work and providing active help to disabled people who wished to work; fundamentally reforming Incapacity Benefit for future claimants; and ensuring the welfare system recognised the extra costs faced by disabled people (Department of Social Security, 1998: 51).

2.14 As a result of one of the recommendations of the 1998 Green Paper, the Employment Service and the Benefits Agency were combined, followed by an amalgamation of Jobcentres and Social Security offices. The first 56 ‘Pathfinder’ officers were established between October 2001 and January 2002 in 17 cluster areas, in order to demonstrate the new service, culture and organisation of Jobcentre Plus. Further Jobcentre Plus offices were opened in October 2002 and the network will be complete by 2006. The style of the new offices was intended to be radically different from the old Jobcentres, creating a comfortable and welcoming environment where claimants could get expert advice on benefits and employment issues from a personal adviser. Attendance at an initial ‘work focussed interview’ (WFI) was mandatory. Benefits claims were not processed until the claimant had attended the WFI, unless the interview was deferred or waived.
at the discretion of the personal adviser. In most offices, personal advisers dealt with a wide range of benefits rather than specialising in particular types of benefit claim. Government-sponsored research on the Jobcentre Plus Pathfinders and on ONE, which piloted the work-focussed approach, found that personal advisers failed to engage with incapacity benefits claimants, primarily through lack of confidence in their ability to talk about work with disabled people and those with long-term health problems. There were inconsistencies in approach between different areas and greater difficulty with some types of impairment than others. The DWP therefore adopted a specialist approach in its Pathways to Work pilots for new incapacity benefits claimants (also known as the incapacity benefit pilots, see below and Chapter 5 for further discussion).

2002 GREEN PAPER PATHWAYS TO WORK: HELPING DISABLED PEOPLE INTO EMPLOYMENT

2.15 The 2002 Green Paper (DWP, 2002a) developed government thinking in relation to the problem of the growth of incapacity benefits claimants. It was noted that the degree of impairment of some people claiming incapacity benefits was less than that of many people in employment. About two thirds of people claiming incapacity benefits had mental or behavioural, musculo-skeletal or heart, circulatory or respiratory disorders, referred to in the 2002 Green Paper as ‘less severe health problems’ (see Table 2.7). By way of contrast, amongst the most severe conditions, 0.7 per cent of incapacity benefit recipients have had a stroke, 0.2% have tetraplegia and 0.9% have multiple sclerosis. For the majority of incapacity benefit claimants, it was argued, barriers to employment were significant, but were more likely to concern negative employer attitudes, low levels of skill and qualifications and lack of confidence than individual impairment.
Table 2.7: The reported conditions of incapacity benefit claimants, May 2002

<table>
<thead>
<tr>
<th>Diagnosis group</th>
<th>Percentage of total incapacity benefit claimants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mental disorder</td>
<td>35%</td>
</tr>
<tr>
<td>Musculo-skeletal</td>
<td>22%</td>
</tr>
<tr>
<td>Circulation &amp; respiratory system</td>
<td>11%</td>
</tr>
<tr>
<td>Others(^4)</td>
<td>16%</td>
</tr>
<tr>
<td>Nervous system</td>
<td>10%</td>
</tr>
<tr>
<td>Injury, poisoning</td>
<td>6%</td>
</tr>
</tbody>
</table>


2.16 It was also argued that the New Deal for Disabled People (which is discussed below) had been much less effective than other New Deal programmes (DWP, 2002a), although, unlike the New Deal for 18 – 24 year olds, for example, participation in the NDDP was voluntary. Whereas the number of incapacity benefit claimants continued to grow, representing about 7.5% of the working age population, the number of claimants of JSA and income support for lone parents fell. Since July 2001, 28,000 people had joined the NDDP and just over 6,000 had gained a job. A number of measures to move new incapacity benefits claimants back into employment were proposed for piloting in six Jobcentre Plus districts, beginning in October 2003. The pilots extended the WFI approach (see above) and made it compulsory to attend a number of work-related interviews with a personal adviser, with a compulsory action plan. The only people exempt from the compulsory WFI and the Personal Capability Assessment were those deemed to have such serious health problems or impairments that it would not be reasonable to expect them to work. The measures to assist incapacity benefit claimants back into employment included the following:

- More skilled support from specialist disability advisers and help to return to work combined with action planning during the early stages of a claim;\(^5\)

\(^4\) The ‘others’ category is made up of the other 13 International Classification of Diseases diagnosis groups including (by order of size): diseases of the digestive system; endocrine, nutritional & metabolic diseases; neoplasms; certain infectious & parasitic diseases; and diseases of the genito-urinary system.

\(^5\) The move towards specialist advisers was supported by respondents to the public consultation on the Pathways to Work Green Paper. 89% of the 87 organisations and individuals who responded agreed that there is a need for specialist personal advisers.
• Easier access to the specialist employment programmes plus new work-focused rehabilitation programmes, offered jointly by Jobcentre Plus and local NHS providers;
• Financial incentives for incapacity benefits recipients to seek work and move into some form of employment;
• Specialist adviser support for people having to move from incapacity benefits to Jobseeker’s Allowance;
• Efforts to encourage employers, trades unions and the insurance industry to keep people attached to the labour market.

2.17 The 2002 Green Paper also reviewed initiatives aimed at tackling discrimination in the workplace, including the extension of the DDA to small employers and exempt occupations (including the police and barristers) from 2004 (the DDA is discussed later in this chapter). A commitment was made to introduce a duty on public bodies to promote equality of opportunity for disabled people, to be introduced in a new Disability Bill.

2.18 It should be noted that the 2002 Green Paper had little to say about the duties of employers and the measures which needed to be taken to ensure that they did not discriminate against disabled people. The focus was rather on the responsibilities of the individual disabled person, viewed in isolation from their social context.

THE NEW DEAL FOR DISABLED PEOPLE (NDDP)

2.19 The New Deal for Disabled People Programme (NDDP), introduced in 1998, was the main employment programme for people in receipt of a disability or incapacity-related benefit, and was an important part of the Government’s welfare to work strategy. Launched as a joint initiative between the Department of Social Security and the Department for Education and Employment (DfEE), the objectives of the programme were:

• to assist disabled people with impairments or a health condition who wish to work to do so;
• to help those already in work to retain employment; and
• through local partnerships, to promote the abilities of people with long-term health problems and to extend the range of services available to them.
Compared with some of the other New Deal programmes, such as the New Deal for Lone Parents, the Government’s approach was cautious and various versions of the programme were piloted and evaluated before the Job Broker scheme was finally rolled out nationally in June 2001. The NDDP was targeted mainly at people of working age, 16 to 59/64 years, in receipt of incapacity-related benefits. Participation was voluntary and there were no benefits penalties for not taking part. The targeting of incapacity benefit claimants was unusual because until this time, people on long-term incapacity benefits had been assumed to be incapable of working.

Two variants of the NDDP were piloted and operated between September 1998 and June 2001: the Personal Adviser Service (PAS) and the Innovative Schemes. In the 12 PAS pilot areas, a personal adviser assisted people claiming incapacity benefits to find and retain employment. Each project had a project manager and a team of personal advisers, whose job it was to undertake an initial interview with the disabled person and subsequently to organise appropriate services to improve the person’s employability and place them in work.

In July 2001, the NDDP was extended, since policy makers wanted to test on a national scale further measures to help people on incapacity benefits move into work. Following a competitive tendering process, 60 Job Brokers from the not-for-profit, private and public sectors were commissioned to deliver the national extension to the NDDP. Some Job Brokers had expertise in relation to a specific impairment group, whilst others were generalists. Each Job Broker covered a particular geographical area and people wanting to participate in the programme had to register with a specific Job Broker.

Evaluations of the NDDP drew attention to the very low participation rates across the various schemes. For example, between September 1998 and November 2000, only 2.3% of those invited to join the Personal Adviser Service volunteered to join the programme (Stafford, 2005 forthcoming). Although Job Brokers are empowered to help anyone on incapacity benefits, participants differed from non-participants in that they had generally been on incapacity benefit for a relatively short period of time. The
Innovative Schemes also had low uptake rates, and evaluations suggested that this might be due to fear of losing benefits.

2.24 Despite the fact that NDDP participants tended to be closer to the labour market than other incapacity benefit claimants, evaluations suggested that initial job outcomes were disappointing. The original target for the national extensions of the NDDP was 90,000 job entries over three years (Employment Service, 2000). It was hoped that comparisons could be made between ‘experimental’ and ‘control’ groups, but for a range of technical reasons these comparisons were not possible. Outcomes may be summarised thus:

- In June 2003, 39% of participants in the first round of Innovation Schemes and 26% of those in the second round had moved into work (Hills et al, 2001)
- By November 2000, 26% of participants (4,800) in PAS areas had moved into employment (Loumidis et al, 2001)
- Between July 2001 and September 2002, there were 27,850 registrations with Job Brokers, of whom 22% (6,099) had moved into employment including 1,400 to sustained employment (DWP, 2003b).

2.25 Whilst some of the NDDP pilots and evaluations took place in Scotland, Scottish data were not disaggregated and separate reports on the impact of the programme in Scotland were not produced.

2.26 Although the NDDP started slowly the scheme is now proving more successful in helping move people on incapacity benefit back into work. As a result of low participation, the government decided to make a work focused interview (WFI) compulsory for people making a new claim for an incapacity benefit (and existing claimants where Jobcentre Plus had replaced the separate Jobcentre and social security offices). When conducting WFIs for new and repeat claimants, personal advisers were instructed to give people information about the NDDP and the job brokering services on offer. Participation in the NDDP was not a condition of benefits receipt, unlike the situation for 18 – 24 year olds, and there was no suggestion that disabled claimants be required to look for work. Nonetheless, the aim of the WFI was to make disabled people think seriously about the possibility of finding a job. The Trades Union Congress, in its publication Setting New Goals:
Disabled People, Work and Poverty (TUC Economic and Social Affairs Department, 2003) indicated its support for WFIs because:

...we agree with the Government about the advantages for disabled people of getting jobs, and requiring people to talk about whether employment is right for them is not unreasonable. But we would not like to take this approach further. The OECD, for instance, has urged governments to ‘introduce a new obligation for disabled people, including a requirement to look for work, for those who are capable.’ We would oppose this. (TUC Economic and Social Affairs Department, 2003: 16)

2.27 In line with the social model of disability, the TUC argued that disabled people should be able to work if barriers were removed. However, there was widespread evidence of discrimination, and until further civil rights had been won, it was unreasonable to expect those experiencing pain and fatigue as a result of sickness or injury to seek work. The TUC also noted that future debates were likely to focus on which citizens should be obliged to seek work, a particularly complex issue for those at the margins.

2.28 Following a review of Jobcentre Plus services, ‘Building on the New Deal (BoND): Local Solutions Meeting Individual Needs’ was published in June 2004 (DWP, 2004). The report stated that there would be a national framework of rights and responsibilities and greater local flexibility, devolution and discretion. The essence of more flexible policies is that Jobcentre Plus should adopt a menu of provision from which help can be selected based upon customer need. There will be fewer rules on eligibility, programme length and mix with scope for local variation and innovation. Personal advisers will be able to make available to customers elements within a modular menu of provision, irrespective of the benefit they receive. The new service is being tested in prototype districts from October 2005, prior to national implementation.

BENEFITS, TAX CREDITS AND WORK INCENTIVES

2.29 The House of Commons Work and Pensions Committee (House of Commons, 2003) summarised the work incentive measures within the benefits system which have been implemented at the same time as the NDDP to maximise its benefits.
2.30 The *Pathways to Work* Green Paper outlined plans to create a Return to Work (RTW) credit aimed at helping incapacity benefit claimants cope with the financial disruption of moving back into employment. The RTW credit involves a £40 per week payment being made to incapacity benefit claimants returning to work if they are earning less than £15,000 per year. The credit is paid for 52 weeks.

2.31 The earnings disregard allows people claiming incapacity benefits to earn up to £20 a week for an unlimited period. Under new Permitted Work rules, incapacity benefit claimants are allowed to earn £67.50 a week for 26 weeks.

2.32 Eligibility for tax credits, including the new Working Tax Credit, is dependent on working a minimum of 16 hours per week. It has been suggested by disability organisations that, since many disabled people work less than 16 hours, there would be greater financial incentives to work if the minimum number of hours was reduced to 12 hours per week, allowing more people to qualify for Working Tax Credit.

2.33 The 52 week linking rule states that incapacity benefit claimants who start a job are permitted to move back onto Incapacity Benefit without having to be reassessed if the job breaks down within a year. It is necessary to register within a month if an individual wishes to seek benefits protection under the 52 week linking rule, and disability organisations see this as an unnecessary bureaucratic hurdle.

2.34 Finally, the Committee noted that a disabled person who starts a job may fear the loss of Disability Living Allowance (DLA) and Housing Benefits. Obtaining employment may trigger a review of DLA and Housing Benefits are means tested. It was recommended that these benefits should be protected for a period of time to allow the individual to adapt to their new financial situation in work.

2.35 In assessing the impact of the NDDP, work incentives and disincentives embedded within the benefits system have to be taken into account. Many research studies, including Riddell, Banks and Wilson, (2001), indicate that incapacity benefit claimants perceive that the financial risks associated with moving
into work outweigh the potential benefits, particularly when the jobs available may be relatively low paid.

THE DISABILITY DISCRIMINATION ACT (DDA) 1995

2.36 As noted earlier, part of the Government’s strategy to encourage disabled people into the labour market was through the extension of their civil rights. The post-war quota system placed a duty on large employers to ensure that 3% of their workforce was disabled. The quota system was unpopular with employers and disabled people and was not enforced effectively (Riddell and Banks, 2005 forthcoming). In 1995, it was replaced by the Disability Discrimination Act (DDA). Part 2 of the DDA made discrimination against disabled people in employment unlawful. Discrimination is defined as less favourable treatment delivered to a disabled person from that which a non-disabled person might expect to receive or the failure to make a reasonable adjustment. Employers must not discriminate in the following areas:

- Recruitment and retention of employees
- Promotion and transfers
- Training and development
- The dismissal process.

2.37 The employment provisions of the DDA did not initially apply to members of the armed forces; prison officers; fire-fighters; employees working wholly or mainly outwith Great Britain; employees on board ships, aircraft or hovercraft; police officers. From April 2004, the Act was extended to cover business partners, prison and police officers, fire-fighters, barristers, local councillors and those working on board aircraft, hovercraft or ships. The navy, military and air force are still not covered by the DDA. Since October 2004, small businesses are no longer exempt from the Act. The forthcoming Disability Bill is likely to place a duty on public sector bodies to positively promote equality for disabled people in line with the Race Relations Amendment Act 2002.

2.38 Meager and Hurstfield (2005 forthcoming) provided an overview of the impact of the DDA, drawing on a number of earlier pieces of research (Meager et al 1999; Leverton, 2002 and Hurstfield et al 2004). They found that there had been a steady increase in the number of cases taken under the employment provisions of the Act since its inception:
• 1997: 115 cases per month
• 1998: 187 cases per month
• 1999: 244 cases per month
• 2000 (first 8 months) : 292 cases per month.
• 2000/01: 386 cases per month
• 2001/02: 439 cases per month
• 2002/03: 442 cases per month.

2.39 In terms of types of cases the findings of the various evaluations reviewed by Meager included:

• About 61% of DDA applicants are men; with men more likely to take recruitment cases and women reasonable adjustment cases (men and women are equally likely to take dismissal cases).
• A third of cases involve a claim that an employer failed to make a reasonable adjustment and this proportion has tended to increase over time; about one in six cases relates to ‘other detriment’, such as victimization; only 8.9% of cases relate to recruitment (this may be to do with a greater difficulty in meeting the burden of proof in this area, for example, it may be difficult to get evidence from the employer about other candidates interviewed and it is relatively easy for an employer to argue that another candidate was more suitable for the job).
• The most common impairments among applicants in DDA cases are: ‘problems connected with the back or neck’, ‘depression, bad nerves or anxiety’, and ‘problems associated with the arms or hands’ (this pattern is similar to cases brought under the Americans with Disabilities Act in the first five years).
• A relatively high proportion of cases were brought against public sector employers, almost certainly as a result of greater awareness of the DDA in this sector rather than higher levels of discrimination.
• Half of DDA cases involve a claim under one or more jurisdictions of employment law, most commonly unfair dismissal which accounts for two thirds of all cases brought under the DDA (case study work by Meager and colleagues indicated that legal advisers often suggested that a DDA claim should be made alongside an unfair dismissal claim if sickness absence was involved).

2.40 The success rate of DDA cases is very low. The vast majority of DDA cases are settled or withdrawn before a tribunal hearing.
The chances of winning a case appear to be linked to the presence of legal representation or a legal adviser. The Phase 1 monitoring study indicated that 15.9% of cases which went to tribunal were successful (i.e. decided in favour of the applicant). By the time of the Phase 2 monitoring study, the success rate had risen to 19.5%, but the number of cases withdrawn before going to tribunal had risen. In the Phase 1 study, Meager and colleagues conducted a multivariate analysis to identify which factors were associated with a case being successful. After controlling for all other features of the case, the analysis suggested that the following factors were important:

- The nature of the applicant’s impairment (applicants with physical/mobility difficulties were most likely to succeed; those with sensory impairments or impairments relating to internal organs were least likely to succeed)
- Legal representation of the applicant
- Legal representation of the respondent (applicants were more likely to win if the respondent was represented by an in-house lawyer, rather than from outwith the employing organization)
- The sector and occupation of the job relevant to the case (cases brought against respondents in manufacturing, primary construction and ‘other services’ were most likely to succeed at tribunal; cases involving managerial and professional occupations had a higher success rate than those involving unskilled or skilled manual occupations).

2.41 Qualitative work reported by Meager and Hurstfield (2005, forthcoming) provided some insight into the experience of being involved in a DDA case. For both employer and applicant the process was highly stressful and costly. The burden of having to prove that a person was disabled under the terms of the Act meant that many cases were dismissed, and this was a particular issue for people with mental health problems, who had to prove that they had a ‘clinically well-recognised condition’. The focus on normal day-to-day activities was problematic, with disputes over whether work counted as such an activity. There was confusion over how progressive conditions should be treated. Furthermore, the notion of ‘justification’ in the DDA posed difficulties. The DDA defines discrimination as less favourable treatment for a reason related to a disability which cannot be justified, or a failure to make a reasonable adjustment which cannot be justified. It differs in this respect from other anti-discrimination legislation, such as that
relating to sex or race, where the notion of justified discrimination does not exist. Both applicants and respondents were confused by the concept of justified discrimination.

2.42 Meager and Hurstfield (2005, forthcoming) also analysed Labour Force Survey data to investigate the extent to which the DDA had improved the employment rate of disabled people. Normally, someone is considered to be disabled if:

- They say that they have a work-limiting health problem or disability (i.e. one which limits the kind or amount of paid work they might do); and/or
- They say they have a current disability in the sense of the DDA, i.e. a health problem or disability which substantially limits their ability to carry out normal day-to-day activities.

2.43 The Government and the DRC prefer to look at all long-term disabled people. However, Meager suggests, there may be some merit in having a separate focus on people who have a work-limiting illness, on the grounds that if reasonable adjustments were made, more of this group would be in employment.

2.44 Table 2.8 summarises trends in employment rates between 1998 and 2002 for Great Britain. The table shows that, in relation to all long-term disabled people, there was a small increase in the employment rate of disabled people (from 45.1 to 48.8%). In relation to the employment rate of those having a work-limiting disability, the improvement was less impressive (from 38.1 to 40.1% over the same period). It is hard, of course, to know to what extent these changes can be attributed to the impact of the DDA, since many other factors, including the NDDP, need to be taken into account.
## Table 2.8: Trends in employment rates 1998 – 2002 (GB)

<table>
<thead>
<tr>
<th></th>
<th>Employment rates (%)</th>
<th>% point difference between overall employment rate &amp; employment rate of……</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All current long-term disabled</td>
<td>People with a work-limiting disability</td>
</tr>
<tr>
<td>Summer 98</td>
<td>45.1</td>
<td>38.2</td>
</tr>
<tr>
<td>Autumn 98</td>
<td>45.6</td>
<td>38.4</td>
</tr>
<tr>
<td>Winter 98/99</td>
<td>46.1</td>
<td>39.1</td>
</tr>
<tr>
<td>Spring 99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer 99</td>
<td>47.3</td>
<td>39.6</td>
</tr>
<tr>
<td>Autumn 99</td>
<td>47.1</td>
<td>39.6</td>
</tr>
<tr>
<td>Winter 99/00</td>
<td>46.5</td>
<td>39.2</td>
</tr>
<tr>
<td>Spring 00</td>
<td>46.8</td>
<td>39.0</td>
</tr>
<tr>
<td>Summer 00</td>
<td>47.6</td>
<td>39.7</td>
</tr>
<tr>
<td>Autumn 00</td>
<td>47.2</td>
<td>39.3</td>
</tr>
<tr>
<td>Winter 00/01&lt;sup&gt;6&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spring 01</td>
<td>47.4</td>
<td>39.5</td>
</tr>
<tr>
<td>Summer 01</td>
<td>47.2</td>
<td>39.0</td>
</tr>
<tr>
<td>Autumn 01</td>
<td>48.2</td>
<td>39.7</td>
</tr>
<tr>
<td>Winter 01/02</td>
<td>48.3</td>
<td>39.7</td>
</tr>
<tr>
<td>Spring 02</td>
<td>48.0</td>
<td>38.9</td>
</tr>
<tr>
<td>Summer 02</td>
<td>48.8</td>
<td>40.1</td>
</tr>
</tbody>
</table>


2.45 It is also important to look at evidence of changes in employers’ attitudes. The findings from a number of Government-funded surveys are summarized in Goldstone and Meager (2002) and indicate that there is no clear evidence of a growth in employer awareness of the DDA in general, and the employment provisions in particular, over the period since the Act came into force in 1996. The studies, however, suggest there has been a change in employers’ practices since the early to mid-1990s, which is consistent with a growing awareness of disability issues.

---

<sup>6</sup> Data were not collected in Spring ’99 and Winter 00/01
In particular:

- There has been a growth in the proportion of employers with formal written policies on the employment of disabled people.
- The proportion of employers reporting that they actively encourage the employment of disabled people, while remaining a minority (at around one in five employers) has also increased during the period (although such growth occurred mainly in the 1990s).
- In line with these changes, the proportion of employers who report that they have disabled employees has also risen (this may reflect a greater awareness of employees’ disabilities, or a real increase in the number of disabled people employed). In the most recent reviews, about two thirds of establishments reported having some disabled employees.
- A growing proportion of employers are making adaptations or adjustments on behalf of those employees.

2.46 Overall, the majority of commentators suggest that the DDA has achieved some degree of success. Gooding (2000) indicated that the Act was of great symbolic importance for disabled people, whilst noting difficulties in relation to the definition of disability, the notion of reasonable adjustment and the justifications of less favourable treatment. She noted that the Act will only be successful if backed up by a powerful collective movement and if the ambition of producing fairer outcomes, rather than equal opportunities, remains the over-riding goal.

2.47 Other writers have been less positive. Floyd (2003) maintained that the Americans with Disabilities Act 1990 was more ambitious and effective for a number of reasons. The ADA defines an individual as disabled if s/he:

- Has a physical or mental impairment that substantially limits one or more of the major life activities
- Has a record of such an impairment
- Is regarded as having such an impairment.

2.48 According to Floyd, the ADA had a greater impact because it was backed up from the start by an Equal Employment Opportunities Commission and other regulatory bodies. In addition, a well resourced and highly professionalised vocational rehabilitation service meant that disabled people had greater
support in accessing the labour market. However, it is possible that the picture on the other side of the Atlantic is not as rosy as it might first appear. Studies of the impact of the ADA suggest that its implementation has not been smooth (see, for example, Goss et al 2000; DeLeire, 2000; Lee, 2003; Acemoglu and Angrist, 2001; Kruse and Schur, 2003). These studies indicate that, as in the case of the DDA, problems have arisen in relation to definitions of disability and reasonable accommodation, the extent to which different groups are able to use the legislation and the low success rate of cases brought. In addition, it appears to have had only a minimal impact on the labour market participation rates of disabled people, with a decrease in the employment of disabled men in the two years following its implementation.

2.49 As with the NDDP, there has been no separate evaluation of the impact of the DDA on the employment experiences of disabled people in Scotland.

**THE IMPACT OF THE NATIONAL MINIMUM WAGE (NMW)**

2.50 The National Minimum Wage (NMW) was introduced in April 1999 as part of the UK Government’s commitment to tackling poverty. It was introduced across the whole of the UK and all employees were covered with the exception of those under the age of 18. The introductory level was very low (£3.60 an hour) and since disabled people are often paid very low wages, there were hopes that they would benefit from the legislation. At the same time, it was feared that employers might decide to replace disabled people with non-disabled workers, on the grounds that the latter would cost the same to employ and might be able to do certain jobs more efficiently. Burchardt and McKnight (2003) analysed the impact of the NMW and found that employment retention rates improved for low paid disabled workers over the period of the NMW’s introduction, although low paid disabled men tended to reduce their hours of work. This might be part of a longer term trend, and not directly attributable to the NMW. Exempting disabled people from the NMW would therefore have a negative effect. Schneider et al (2001) also found that paid hours of work of disabled people had been reduced, without an increase in overall earnings. Longer term studies are necessary to chart the impact of the NMW on disabled people over time, and again disaggregated Scottish data are required.
CONCLUSIONS

2.51 This chapter looked at employment and benefits policies for disabled people in the UK. Some of the main findings of the chapter are:

- Over the past ten years, during a period characterised by a healthy and stable economy, the number of people claiming Incapacity Benefit has increased significantly while the number of people claiming other out of work benefits has fallen. The number of people claiming incapacity benefits greatly outnumbers the number claiming JSA and other out of work benefits.
- Concern about the high proportions of incapacity benefit claimants in certain geographical areas (including Glasgow, Inverclyde and North Lanarkshire in Scotland) has led to debate about levels of so called ‘hidden unemployment’.
- There is clearly a link between disability, employment status and poverty which warrants further investigation.
- Evaluations of the various phases of the NDDP indicated that participants’ experiences of programmes were generally positive, but low numbers of incapacity benefit claimants participated. Successful outcomes in terms of sustained employment were initially low but more recent evaluations have suggested an improvement in outcomes.
- Positive measures to boost the civil rights of disabled people through the DDA appear to have had modest, rather than spectacular, success. There have been increases in the number of DDA cases over time but success rates remain low.
- There have been no evaluations of the impact of the DDA or NMW for Scotland.

2.52 Chapter 3 examines statistics on the labour market participation of disabled people in Scotland.
CHAPTER THREE: DISABILITY AND EMPLOYMENT IN SCOTLAND: A REVIEW OF THE DATA

INTRODUCTION

3.1 Drawing on 2001 Census data and other large data sets, this chapter considers the extent to which disabled people have been included in the labour market in Scotland and the UK as a whole. It looks at the prevalence and distribution of disabled people in Scotland, economic activity and employment amongst people with and without limiting long-term illness (LLTI) in Scotland, potential barriers to labour market participation, benefit receipt among disabled people in Scotland and the housing circumstances of disabled people.

DEFINITIONS OF DISABILITY

3.2 A number of surveys have measured the level of economic activity in Scotland and the UK as a whole, and disabled people have been found to have lower levels of economic activity than people who are not disabled. However, establishing a clear picture of the position of disabled people in the labour market is complicated by the fact that the proportion of the population that is defined as disabled varies according to the definition used. For example the Labour Force Survey asks questions to identify whether people have a current disability covered by the 1995 Disability Discrimination Act, or a work-limiting disability, or both. The number of people falling into each of these categories in autumn 2001 is shown below:
Figure 3.1: People of working age by different definitions of disability: United Kingdom, autumn 2001, not seasonally adjusted

3.3 Other surveys word their questions differently resulting in a single category of disability often encompassing both disability and long-term illness, for example, question 8 of the 2001 Census asked: *Do you have a long-term illness, health problem or disability which limits your daily activities or the work you can do?* Data derived from the 2001 Census showed that 15.5% of working aged people in Scotland had a long-term illness, health problem or disability (LLTI); the equivalent figure derived from the LFS showed that 20% of people aged 16 to retirement age had a disability. The wording of the questions is not the only difference between the Census and the LFS. The Census is completed by the head of household on behalf of other household members, or by individuals themselves, whereas the LFS uses interviewers who are able to clarify definitions and deal with questions as required. The Census data relate to one point in time, whereas the LFS covers a period of time. Finally, every household is required to return a completed Census form, i.e. the whole population, while LFS uses a sample (for a detailed discussion of the differences between surveys see Social Focus on Disability, Scottish Executive, 2004d).

3.4 For the purpose of this review it was decided to focus primarily on data derived from the 2001 Census and most of the
data quoted in the remainder of this chapter relate to people of working age with or without a range of conditions covered by this definition of disability or long-term illness (LLTI). While the Labour Force Survey is normally the preferred source for labour market data, the Census was the preferred source for this study due to the improved accessibility of the Census data, the method of collection, i.e. the size of the sample, and the range of variables included.

3.5 Prior to looking at the association between LLTI and employment it is important to note the difference between ‘disability’ and general health. Illness may cause people to be disabled for a limited period of time, permanently, or intermittently in the case of conditions that have periods of remission. Some conditions are progressive whereas in other instances the impact of a specific condition may be relatively stable. Under the Disability Discrimination Act people with conditions such as multiple sclerosis are defined as disabled whether or not they are in remission. However, not all people defined as disabled have any health problems. Table 3.1 shows the proportion of people aged 16-59/64 with and without LLTI whose health was good or fairly good, or not good. It can be seen that the health of approximately four out of ten of those aged 16-34, and half of those aged 35+ with LLTI was not good, compared to a tiny minority of people without LLTI. It is important to note here, however, that 50% of people with LLTI thought they had good or fairly good health. This is at variance with a common misapprehension that disability and illness are synonymous.

Table 3.1: LLTI and age group by general health (percentage of people with and without LLTI whose health is good or fairly good in each age group)

| Age group | Good or fairly good | | | Not good | | |
|-----------|---------------------|----------------|----------------|----------------|----------------|
|           | No LLTI | LLTI | No LLTI | LLTI | No LLTI | LLTI |
| Total     | 98.3%   | 49.6% | 1.7%     | 50.4% |             |             |
| 16-34     | 98.7%   | 59.1% | 1.3%     | 40.9% |             |             |
| 35-49     | 98.0%   | 47.4% | 2.0%     | 52.6% |             |             |
| 50-59     | 97.9%   | 45.9% | 2.1%     | 54.2% |             |             |
| 60-64     | 98.1%   | 50.7% | 1.9%     | 49.3% |             |             |

Source: 2001 Census
THE PREVALENCE AND DISTRIBUTION OF DISABLED PEOPLE IN SCOTLAND

Table 3.2 shows the number and proportion of people aged 16-74 with a LLTI in the UK:

Table 3.2: Prevalence of people with LLTI (aged 16-74) in Scotland, Northern Ireland, England and Wales (frequency and percentage)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th></th>
<th>No LLTI</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td>Number</td>
<td>%</td>
</tr>
<tr>
<td>UK</td>
<td>42,525,596</td>
<td>100.0</td>
<td>34,957,188</td>
<td>82.2</td>
</tr>
<tr>
<td>Scotland</td>
<td>3,731,079</td>
<td>100.0</td>
<td>2,984,831</td>
<td>80.0</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>1,187,079</td>
<td>100.0</td>
<td>934,306</td>
<td>78.7</td>
</tr>
<tr>
<td>England &amp; Wales</td>
<td>37,607,438</td>
<td>100.0</td>
<td>31,038,051</td>
<td>82.5</td>
</tr>
</tbody>
</table>

Source: Census 2001

It can be seen that a higher proportion of people in this age group in Scotland and Northern Ireland have a LLTI compared to England and Wales. However, it should be borne in mind that there are marked differences within countries, and that differences in population size can mean that disparities are masked, for example, while data indicate that a higher proportion of people are affected by LLTI in Wales than England, the size of the population in England allows the combined figure to be below the figure for the UK as a whole.

In 2001, 3,147,964 people in Scotland were of working age (16-64 for males, 16-59 for females). Of these 489,553 (15.5%) had a long-term limiting illness. This figure is lower than that derived from the LFS which reported that 20% of Scottish people...
aged 16 to retirement age were disabled. Irrespective of definition used, the proportion of the population classified as disabled varies between areas within Scotland as well as between Scotland and other countries, for example inspection of figure 3.2 reveals that Glasgow City has the highest proportion of people of working age with LLTI (26.7%), closely followed by North Lanarkshire (24.4%), and West Dunbartonshire (23.0%) in 2001.
Figure 3.2: Proportion of population with LLTI by Local Authority (percentage)

Source: 2001 Census
3.8 There is little difference in the overall proportion of males (16.5%) and females (14.6%) with a limiting long-term illness (see table 3.3). However, the proportion of the population with LLTI increases with age.

Table 3.3: LLTI by gender and age group (percentage of males and females with and without LLTI in each age group)

<table>
<thead>
<tr>
<th>Age group</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No LLTI</td>
<td>LLTI</td>
</tr>
<tr>
<td>Total</td>
<td>83.5</td>
<td>16.5</td>
</tr>
<tr>
<td>16-34</td>
<td>91.9</td>
<td>8.2</td>
</tr>
<tr>
<td>35-49</td>
<td>85.8</td>
<td>14.2</td>
</tr>
<tr>
<td>50-59</td>
<td>73.6</td>
<td>26.4</td>
</tr>
<tr>
<td>60-64</td>
<td>57.1</td>
<td>42.9</td>
</tr>
</tbody>
</table>

Source 2001 Census

3.9 It can be seen from Table 3.4 that there is some variation in the incidence of LLTI amongst different ethnic groups. Much of this variation may reflect the younger age profile of certain groups (Scottish Executive 2004e).
Table 3.4: LLTI by ethnic group (frequency and percentage)

a) People without LLTI

<table>
<thead>
<tr>
<th>Ethnic group</th>
<th>Total</th>
<th>% total pop</th>
<th>Total in group</th>
<th>% of ethnic group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,147,964</td>
<td>1000</td>
<td>2,658,411</td>
<td>84.45</td>
</tr>
<tr>
<td>White Scottish</td>
<td>2,723,333</td>
<td>86.5</td>
<td>2,285,357</td>
<td>83.92</td>
</tr>
<tr>
<td>Other White British</td>
<td>267,172</td>
<td>8.5</td>
<td>234,679</td>
<td>87.84</td>
</tr>
<tr>
<td>White Irish</td>
<td>33,523</td>
<td>1.1</td>
<td>28,099</td>
<td>83.82</td>
</tr>
<tr>
<td>Other White</td>
<td>56,810</td>
<td>1.8</td>
<td>51,388</td>
<td>90.46</td>
</tr>
<tr>
<td>Indian</td>
<td>10,598</td>
<td>0.3</td>
<td>9,408</td>
<td>88.77</td>
</tr>
<tr>
<td>Pakistani</td>
<td>19,864</td>
<td>0.6</td>
<td>16,399</td>
<td>82.56</td>
</tr>
<tr>
<td>Bangladeshi</td>
<td>1,294</td>
<td>0.0</td>
<td>1,131</td>
<td>87.40</td>
</tr>
<tr>
<td>Other South Asian</td>
<td>4,132</td>
<td>0.1</td>
<td>3,580</td>
<td>86.64</td>
</tr>
<tr>
<td>Chinese</td>
<td>11,838</td>
<td>0.4</td>
<td>10,957</td>
<td>92.56</td>
</tr>
<tr>
<td>Caribbean</td>
<td>1,311</td>
<td>0.0</td>
<td>1,148</td>
<td>87.57</td>
</tr>
<tr>
<td>African</td>
<td>3,783</td>
<td>0.1</td>
<td>3,486</td>
<td>92.15</td>
</tr>
<tr>
<td>Black Scottish or Other Black</td>
<td>672</td>
<td>0.0</td>
<td>559</td>
<td>83.18</td>
</tr>
<tr>
<td>Any Mixed Background</td>
<td>6,405</td>
<td>0.2</td>
<td>5,531</td>
<td>86.35</td>
</tr>
<tr>
<td>Other Ethnic Group</td>
<td>7,229</td>
<td>0.2</td>
<td>6,689</td>
<td>92.53</td>
</tr>
</tbody>
</table>

b) People with LLTI

<table>
<thead>
<tr>
<th>Ethnic group</th>
<th>Total</th>
<th>% total pop</th>
<th>Total in group</th>
<th>% of ethnic group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,147,964</td>
<td>1000</td>
<td>489,553</td>
<td>15.55</td>
</tr>
<tr>
<td>White Scottish</td>
<td>2,723,333</td>
<td>86.5</td>
<td>437,976</td>
<td>16.08</td>
</tr>
<tr>
<td>Other White British</td>
<td>267,172</td>
<td>8.5</td>
<td>32,493</td>
<td>12.16</td>
</tr>
<tr>
<td>White Irish</td>
<td>33,523</td>
<td>1.1</td>
<td>5,422</td>
<td>16.18</td>
</tr>
<tr>
<td>Other White</td>
<td>56,810</td>
<td>1.8</td>
<td>5,424</td>
<td>9.54</td>
</tr>
<tr>
<td>Indian</td>
<td>10,598</td>
<td>0.3</td>
<td>1,190</td>
<td>11.23</td>
</tr>
<tr>
<td>Pakistani</td>
<td>19,864</td>
<td>0.6</td>
<td>3,465</td>
<td>17.44</td>
</tr>
<tr>
<td>Bangladeshi</td>
<td>1,294</td>
<td>0.0</td>
<td>163</td>
<td>12.60</td>
</tr>
<tr>
<td>Other South Asian</td>
<td>4,132</td>
<td>0.1</td>
<td>552</td>
<td>13.36</td>
</tr>
<tr>
<td>Chinese</td>
<td>11,838</td>
<td>0.4</td>
<td>881</td>
<td>7.44</td>
</tr>
<tr>
<td>Caribbean</td>
<td>1,311</td>
<td>0.0</td>
<td>163</td>
<td>12.43</td>
</tr>
<tr>
<td>African</td>
<td>3,783</td>
<td>0.1</td>
<td>297</td>
<td>7.85</td>
</tr>
<tr>
<td>Black Scottish or Other Black</td>
<td>672</td>
<td>0.0</td>
<td>113</td>
<td>16.82</td>
</tr>
<tr>
<td>Any Mixed Background</td>
<td>6,405</td>
<td>0.2</td>
<td>874</td>
<td>13.65</td>
</tr>
<tr>
<td>Other Ethnic Group</td>
<td>7,229</td>
<td>0.2</td>
<td>540</td>
<td>7.47</td>
</tr>
</tbody>
</table>

Source 2001 Census
3.10 In 2001 129,894 people of working age with LLTI lived in households that also included one or more dependent children. Overall 28,963 people of working age with LLTI were lone parents living with one or more dependent children. Two-thirds of people with LLTI living with dependent children are not in employment (2001 Census).

ECONOMIC ACTIVITY AMONGST PEOPLE WITH AND WITHOUT LLTI IN SCOTLAND

3.11 As reported earlier, different surveys produce slightly different figures and these differences also affect data relating to economic activity. Table 3.5 presents data on the economic activity of people in Scotland:

Table 3.5: Economic activity\(^7\) of Scottish disabled and non-disabled people of working age (percentage)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Economically active</td>
<td>Disabled 30.9</td>
<td>43.7</td>
</tr>
<tr>
<td></td>
<td>Non disabled 83.2</td>
<td>87.5</td>
</tr>
<tr>
<td>In employment</td>
<td>Disabled 26.7</td>
<td>40.0</td>
</tr>
<tr>
<td></td>
<td>Non disabled 77.9</td>
<td>81.5</td>
</tr>
<tr>
<td>ILO unemployed</td>
<td>Disabled 13.7</td>
<td>10.7</td>
</tr>
<tr>
<td></td>
<td>Non disabled 6.4</td>
<td>6.3</td>
</tr>
<tr>
<td>Economically inactive</td>
<td>Disabled 69.1</td>
<td>56.2</td>
</tr>
<tr>
<td></td>
<td>Non disabled 16.8</td>
<td>13.1</td>
</tr>
</tbody>
</table>


3.12 It can be seen from the table above that the 2001 Census data revealed marked differences in the level of economic activity between people with no LLTI and those with LLTI. Inspection of the above table shows that 83.2% of people of working age without LLTI were economically active compared with 30.9% of those with LLTI. There are a number of possible explanations for

---

\(^7\) Economically active = employed or actively seeing employment
In employment = working part-time or full-time
ILO unemployed = the International Labour organisation recommended measure which counts as unemployed those of working age who are without a job, are available to start work in the next 2 weeks, and have been seeking a job in the last 4 weeks or are waiting to start a job already obtained; expressed as a percentage of the economically active
Economically inactive = not employed or unemployed
this. It is possible that, as a result of encountering barriers to employment, disabled people become increasingly discouraged and detached from the labour market over time. It is also possible that impairments become severe over time, perhaps exacerbated by deepening poverty and its consequences.

3.13 The Census data reveals that a slightly higher proportion of males with LLTI were economically active (33.3%) in 2001 than females (28.0%) but there is no evidence of an interaction between gender and LLTI as female activity rates are lower than males in all age groups irrespective of disability status. Figure 3.3 presents data on the impact of age on economic activity. It can be seen that economic activity is highest amongst people with LLTI in the younger age group (16-34) and declines thereafter, whereas for people with no LLTI economic activity is highest amongst those aged 35-49.

Figure 3.3: Economic activity by LLTI and age group (percentage of people of working age)

![Economic activity by LLTI and age group](image)

Source: 2001 Census

3.14 While economic activity rates are of interest, they may mask issues of underemployment and in fact unemployment. Table 3.6 presents data relating to economic activity broken down by nature of activity or inactivity. Inspection of the table reveals that although the economic activity rate for all people in Scotland was
75.1%, only just over two-thirds (66.8%) of all people of working age were employed, 26.0% of those with LLTI and 74.4% of those without LLTI.

3.15 Inspection of Table 3.6 reveals that the bulk of employed people were employees. A slightly higher proportion of people with LLTI were self-employed, 15.8% of males and 7.2% of females compared to 13.1% of males and 5.5% of females without LLTI (Census 2001). This small difference was mostly accounted for by the proportion of people who were self-employed without employees. Unemployment was higher amongst people with LLTI and the proportion of full-time students was slightly lower.

Table 3.6: Economic activity by gender and LLTI (percentage of Scottish people with and without LLTI)

<table>
<thead>
<tr>
<th>Economic activity by LLTI</th>
<th>Total</th>
<th>No LLTI</th>
<th>LLTI</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL PEOPLE</td>
<td>3,147,964</td>
<td>2,658,411</td>
<td>489,553</td>
</tr>
<tr>
<td>Economically Active:</td>
<td>75.1%</td>
<td>83.2%</td>
<td>30.9%</td>
</tr>
<tr>
<td>Employed</td>
<td>66.8%</td>
<td>74.4%</td>
<td>26.0%</td>
</tr>
<tr>
<td>Part -time</td>
<td>13.7%</td>
<td>15.0%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Full - time</td>
<td>53.1%</td>
<td>59.4%</td>
<td>19.0%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>6.2%</td>
<td>5.7%</td>
<td>13.0%</td>
</tr>
<tr>
<td>Full-time student</td>
<td>3.6%</td>
<td>4.1%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Economically Inactive:</td>
<td>24.9%</td>
<td>16.8%</td>
<td>69.1%</td>
</tr>
<tr>
<td>Retired</td>
<td>2.1%</td>
<td>1.6%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Student</td>
<td>5.1%</td>
<td>5.6%</td>
<td>2.2%</td>
</tr>
<tr>
<td>Looking after home /Family</td>
<td>6.2%</td>
<td>6.1%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Permanently sick or Disabled</td>
<td>7.6%</td>
<td>0.4%</td>
<td>46.2%</td>
</tr>
<tr>
<td>Other</td>
<td>4.0%</td>
<td>3.1%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
b) Economic activity by gender and LLTI

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Male No LLTI</th>
<th>Male LLTI</th>
<th>Female No LLTI</th>
<th>Female LLTI</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL PEOPLE</td>
<td>3,147,964</td>
<td>1,343,715</td>
<td>265,169</td>
<td>1,314,696</td>
<td>224,384</td>
</tr>
<tr>
<td>Economically Active:</td>
<td>75.1%</td>
<td>88.5%</td>
<td>33.3%</td>
<td>77.8%</td>
<td>28.0%</td>
</tr>
<tr>
<td>Employed</td>
<td>66.8%</td>
<td>78.9%</td>
<td>27.4%</td>
<td>69.7%</td>
<td>24.3%</td>
</tr>
<tr>
<td>Part -time</td>
<td>13.7%</td>
<td>4.3%</td>
<td>3.5%</td>
<td>25.9%</td>
<td>11.1%</td>
</tr>
<tr>
<td>Full – time</td>
<td>53.1%</td>
<td>74.6%</td>
<td>23.8%</td>
<td>43.8%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Unemployed</td>
<td>6.2%</td>
<td>6.9%</td>
<td>15.5%</td>
<td>4.3%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Full-time student</td>
<td>3.6%</td>
<td>3.4%</td>
<td>0.8%</td>
<td>4.7%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Economically Inactive:</td>
<td>24.9%</td>
<td>11.5%</td>
<td>66.7%</td>
<td>22.2%</td>
<td>72.0%</td>
</tr>
<tr>
<td>Retired</td>
<td>2.1%</td>
<td>2.1%</td>
<td>6.3%</td>
<td>1.1%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Student</td>
<td>5.1%</td>
<td>5.3%</td>
<td>2.1%</td>
<td>5.8%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Looking after home/Family</td>
<td>6.2%</td>
<td>0.9%</td>
<td>1.8%</td>
<td>11.4%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Permanently sick Or Disabled</td>
<td>7.6%</td>
<td>0.4%</td>
<td>48.1%</td>
<td>0.4%</td>
<td>44.0%</td>
</tr>
<tr>
<td>Other</td>
<td>4.0%</td>
<td>2.7%</td>
<td>8.5%</td>
<td>3.4%</td>
<td>9.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Source: 2001 Census

3.16 As mentioned above, a slightly higher proportion of males with LLTI were economically active (33.3%) than females (28.0%). However, if we look at the ‘patterns’ of economic activity between males and females with and without LLTI, it can be seen that while levels of economic activity were lower amongst both males and females with LLTI (right hand bars), gender differences in economic activity followed a similar pattern for both groups, with a higher proportion of females working part-time amongst people with and without LLTI. A higher proportion of males than females were unemployed. The gender difference in employment rates was less marked for people with LLTI than those without LLTI (only 3.1% more males than females with LLTI were in employment, whereas 9.2% more males than females without LLTI were in employment). However, the pattern becomes more complicated when differences in part-time and full-time working are brought into the equation. Overall a slightly higher proportion of people with LLTI who were in employment worked part-time (27%) compared to those without LLTI (20%). It is possible that it is easier to sustain part-time working which may be more acceptable to females who have traditionally worked part-time in order to accommodate family commitments.
3.17 Table 3.7 presents data relating to social grade, age, and gender. It can be seen from the table that a higher proportion of people with LLTI were in receipt of benefit/unemployed, and that, of those who were in employment, a higher proportion of people with LLTI were employed in semi-skilled and unskilled manual occupations. Only a small proportion of people reached higher managerial and professional occupations irrespective of whether or not they had LLTI. The proportion of people reaching middle management occupations increased with age for both males and females, irrespective of disability status. However, the proportion of people with LLTI reaching middle management was less than half that of those without LLTI. The difference between people with and without LLTI narrows for manual and unskilled work, and it can be seen that a similar proportion of males with and without LLTI are employed in semi-skilled and unskilled occupations. However, a higher proportion of those with LLTI drop out of employment with increasing age. The proportion of females in semi-skilled or unskilled employment leaving the labour market was lower than for males, although a higher proportion of females than males with LLTI were on benefit/unemployed in all age groups.

Table 3.7: LLTI and approximated social grade by age group and gender (percentage of age group and gender category)

<table>
<thead>
<tr>
<th>Approximated social grade</th>
<th>LLTI Status</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>16-34</td>
</tr>
<tr>
<td>Total</td>
<td>No LLTI</td>
<td>572,737</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>50,824</td>
</tr>
<tr>
<td>Professional</td>
<td>No LLTI</td>
<td>0.7</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>0.2</td>
</tr>
<tr>
<td>Middle manager</td>
<td>No LLTI</td>
<td>14.3</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>6.1</td>
</tr>
<tr>
<td>Other non-manual</td>
<td>No LLTI</td>
<td>26.2</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>16.9</td>
</tr>
<tr>
<td>Skilled manual</td>
<td>No LLTI</td>
<td>22.4</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>15.4</td>
</tr>
<tr>
<td>Semi-skilled/unskilled</td>
<td>No LLTI</td>
<td>24.6</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>22.7</td>
</tr>
<tr>
<td>On benefit/Unemployed</td>
<td>No LLTI</td>
<td>11.8</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>38.8</td>
</tr>
</tbody>
</table>
b) Females

<table>
<thead>
<tr>
<th>Approximated social grade</th>
<th>LLTI status</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>16-34</td>
</tr>
<tr>
<td></td>
<td>No LLTI</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>592,388</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>49,925</td>
</tr>
<tr>
<td>Professional</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No LLTI</td>
<td>0.4</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>0.1</td>
</tr>
<tr>
<td>Middle manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No LLTI</td>
<td>11.6</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>5.9</td>
</tr>
<tr>
<td>Other non-manual</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No LLTI</td>
<td>36.1</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>20.8</td>
</tr>
<tr>
<td>Skilled manual</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No LLTI</td>
<td>5.2</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>3.5</td>
</tr>
<tr>
<td>Semi-skilled/unskilled</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No LLTI</td>
<td>30.2</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>26.6</td>
</tr>
<tr>
<td>On benefit/Unemployed</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No LLTI</td>
<td>16.4</td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>43.0</td>
</tr>
</tbody>
</table>

Source: 2001 Census

3.18 Just over one in five people (20.4%) with LLTI in the 16-34 year old age group had never worked or were long-term unemployed; this figure fell to 11.4% of those in the 35-49 age group, and 5.6% amongst those aged 50 years to retirement (2001 Census).

POTENTIAL BARRIERS TO LABOUR MARKET PARTICIPATION

3.19 The government believes that people who are able to work should be provided with support to enable them to do so. However, there are a number of factors that may make accessing suitable employment difficult, including level of general health, education/qualifications, location, and accessible transport.

Health

3.20 As mentioned earlier in this chapter having a LLTI does not necessarily mean that people believe that their general health is poor. It can be seen from Figure 3.4 below that less than half of all people of working age with a LLTI defined their general health as ‘Not good’ (46.5%), more than one-third defined their general health as ‘Fairly good’, and one in six defined it as ‘Good’.
Nevertheless, a markedly higher proportion of people with LLTI had health which was less than ‘Good’ compared to people without a LLTI. It is possible that poor general health has a greater impact on ability to work than LLTI on its own. However, further analysis would be required to clarify this.

Figure 3.4: General health by LLTI (percentage of people in Scotland of working age)

Source 2001 Census

**Qualifications**

3.21 Table 3.8 shows the level of qualifications held by people of working age with and without LLTI in 2001. It can be seen that more than half of all people with LLTI had no qualifications. Given the expansion of education in recent years and the push for qualifications it might be expected that the bulk of younger people aged 16-34 years would have some form of qualifications. However, the proportion of people with no qualifications was considerably higher amongst people with LLTI. Given that more

---

8 Census output divided qualifications into five categories:

No qualifications: No qualifications or qualifications outwith these groups.

Grade 1: ‘O’ Grade, Standard Grade, Intermediate 1, Intermediate 2, City and Guild Craft, SVQ Level 1 or 2 or equivalent.

Grade 2: Higher Grade, CSYS, ONC, OND, City and Guilds Advanced Craft, RSA Advanced Diploma, SVQ Level 3 or equivalent.

Grade 3: HND, HNC, RSA Higher Diploma, SVQ Level 4 or 5 or equivalent.

Grade 4: First Degree, Higher Degree, Professional Qualification
than half of all people with LLTI had no qualifications it was unsurprising that they were over-represented amongst people working in semi-skilled or unskilled occupations as was seen in Table 3.7. The proportion of people with LLTI achieving Grade 4, graduate level, was approximately half that of those without LLTI. The relatively low level of educational attainment amongst people with LLTI has significant implications for both the nature of work, and duration of economic activity. Research has indicated that people with LLTI are less likely to be able to continue working in manual and unskilled occupations, as the required tasks may not be amenable to adjustments (Banks and Pearson, 2003).

Table 3.8: Level of education by LLTI, age, and gender (percentage of age group and gender category)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Disability status</th>
<th>Male</th>
<th>No quals</th>
<th>Grade 1</th>
<th>Grade 2</th>
<th>Grade 3</th>
<th>Grade 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>No LLTI</td>
<td>315,111</td>
<td>364,205</td>
<td>254,372</td>
<td>118,451</td>
<td>291,576</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>142,518</td>
<td>53,003</td>
<td>28,121</td>
<td>12,455</td>
<td>29,072</td>
<td></td>
</tr>
<tr>
<td>16-34</td>
<td>No LLTI</td>
<td>12.8</td>
<td>34.3</td>
<td>24.8</td>
<td>10.1</td>
<td>18.0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>36.5</td>
<td>33.3</td>
<td>15.6</td>
<td>6.7</td>
<td>8.0</td>
<td></td>
</tr>
<tr>
<td>35-49</td>
<td>No LLTI</td>
<td>23.5</td>
<td>25.5</td>
<td>16.9</td>
<td>9.1</td>
<td>25.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>47.5</td>
<td>22.4</td>
<td>12.8</td>
<td>5.6</td>
<td>11.8</td>
<td></td>
</tr>
<tr>
<td>50-59</td>
<td>No LLTI</td>
<td>41.2</td>
<td>16.7</td>
<td>12.0</td>
<td>6.1</td>
<td>24.1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>61.3</td>
<td>14.2</td>
<td>8.4</td>
<td>3.7</td>
<td>12.3</td>
<td></td>
</tr>
<tr>
<td>60-64</td>
<td>No LLTI</td>
<td>50.7</td>
<td>14.2</td>
<td>8.3</td>
<td>5.2</td>
<td>21.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>67.5</td>
<td>12.9</td>
<td>6.1</td>
<td>3.1</td>
<td>10.5</td>
<td></td>
</tr>
</tbody>
</table>

b) Females

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Disability status</th>
<th>Female</th>
<th>No quals</th>
<th>Grade 1</th>
<th>Grade 2</th>
<th>Grade 3</th>
<th>Grade 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>No LLTI</td>
<td>289,224</td>
<td>375,854</td>
<td>245,244</td>
<td>107,721</td>
<td>296,653</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>112,308</td>
<td>52,461</td>
<td>22,540</td>
<td>9,958</td>
<td>27,117</td>
<td></td>
</tr>
<tr>
<td>16-34</td>
<td>No LLTI</td>
<td>11.0</td>
<td>32.5</td>
<td>25.8</td>
<td>10.4</td>
<td>20.3</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>30.0</td>
<td>35.9</td>
<td>16.9</td>
<td>7.3</td>
<td>9.8</td>
<td></td>
</tr>
<tr>
<td>35-49</td>
<td>No LLTI</td>
<td>24.7</td>
<td>27.7</td>
<td>14.4</td>
<td>7.6</td>
<td>25.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>48.1</td>
<td>23.7</td>
<td>10.1</td>
<td>4.9</td>
<td>13.3</td>
<td></td>
</tr>
<tr>
<td>50-59</td>
<td>No LLTI</td>
<td>44.2</td>
<td>20.7</td>
<td>9.5</td>
<td>3.9</td>
<td>21.7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>63.1</td>
<td>16.1</td>
<td>6.2</td>
<td>2.4</td>
<td>12.2</td>
<td></td>
</tr>
<tr>
<td>60-64</td>
<td>No LLTI</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>LLTI</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

Source: 2001 Census
3.22 Table 3.9 presents data relating to economic activity by level of qualification for people with and without LLTI. It can be seen that the proportion of people in employment rose and unemployment fell with higher levels of qualification irrespective of disability status. However, the advantage of qualifications may be slightly greater for people with LLTI.

**Table 3.9: LLTI and economic activity by highest qualification (percentage of people with and without LLTI within qualification grade)**

a) People without LLTI

<table>
<thead>
<tr>
<th>Disability status</th>
<th>No LLTI</th>
<th>No quals</th>
<th>Grade 1</th>
<th>Grade 2</th>
<th>Grade 3</th>
<th>Grade 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td>604,335</td>
<td>740,059</td>
<td>499,616</td>
<td>226,172</td>
<td>588,229</td>
</tr>
<tr>
<td>Employed</td>
<td></td>
<td>68.7</td>
<td>76.9</td>
<td>76.7</td>
<td>84.8</td>
<td>87.0</td>
</tr>
<tr>
<td>ILO Un-employed</td>
<td></td>
<td>10.0</td>
<td>7.9</td>
<td>5.4</td>
<td>4.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Inactive</td>
<td></td>
<td>23.7</td>
<td>16.5</td>
<td>18.9</td>
<td>11.0</td>
<td>10.6</td>
</tr>
</tbody>
</table>

b) People with LLTI

<table>
<thead>
<tr>
<th>Disability status</th>
<th>LLTI</th>
<th>No quals</th>
<th>Grade 1</th>
<th>Grade 2</th>
<th>Grade 3</th>
<th>Grade 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td>254,826</td>
<td>105,464</td>
<td>50,661</td>
<td>22,413</td>
<td>56,189</td>
</tr>
<tr>
<td>Employed</td>
<td></td>
<td>15.9</td>
<td>31.7</td>
<td>39.2</td>
<td>45.8</td>
<td>47.1</td>
</tr>
<tr>
<td>ILO Un-employed</td>
<td></td>
<td>16.8</td>
<td>15.8</td>
<td>12.2</td>
<td>11.7</td>
<td>7.3</td>
</tr>
<tr>
<td>Inactive</td>
<td></td>
<td>80.9</td>
<td>62.3</td>
<td>55.4</td>
<td>48.1</td>
<td>49.2</td>
</tr>
</tbody>
</table>

Source: 2001 Census

**Location**

3.23 As shown earlier in this chapter the number and proportion of people with LLTI varies across the country with the highest prevalence being in Glasgow City, North Lanarkshire and West Dunbartonshire (see figure 3.2). The proportion of people with LLTI who are in employment also varies between Local Authorities with some areas having higher rates of employment amongst disabled people, e.g. Shetland Islands (31.3%) and Aberdeenshire (27.6%), compared to Glasgow City which has the lowest level (11.5%) (See figure 3.5). Some areas with the highest rates of employment amongst people with LLTI are relatively rural areas such as Aberdeenshire (27.6%) and Highland (24.4%). Employment rates in these areas are also higher for people without LLTI.
Figure 3.5: Proportion of people with LLTI in employment by LA (percentage)

Source 2001 Census
3.24 Table 3.10, below, presents figures relating to level of economic activity by urban/rural classification. It can be seen that more than seven out of ten of all working age people with a LLTI in Scotland (72.1%), live in urban areas, one in eight (11.9%) live in small towns, and 15.9% live in rural areas. These figures do not vary markedly from people without LLTI, just over two-thirds (68.3) of whom live in urban areas, one in eight (12.8%) in small towns, and just less than one in five (18.8%) in rural areas.

Table 3.10: Economic activity amongst working age people with LLTI by SHS Urban Rural Classification (frequency)

<table>
<thead>
<tr>
<th></th>
<th>Large Urban Areas</th>
<th>Other Urban Areas</th>
<th>Accessible Small Towns</th>
<th>Remote Small Towns</th>
<th>Accessible Rural</th>
<th>Remote Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>All people with LLTI</td>
<td>209,141 (42.7%)</td>
<td>143,929 (29.4%)</td>
<td>46,783 (9.6%)</td>
<td>11,588 (2.3%)</td>
<td>55,524 (11.3%)</td>
<td>22,588 (4.6%)</td>
</tr>
<tr>
<td>Economically Active:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employed</td>
<td>56,105 (26.8%)</td>
<td>45,296 (31.5%)</td>
<td>15,824 (33.8%)</td>
<td>4,025 (34.7%)</td>
<td>20,730 (37.3%)</td>
<td>9,243 (40.9%)</td>
</tr>
<tr>
<td>Part-time</td>
<td>11,946</td>
<td>10,087</td>
<td>3,744</td>
<td>1,088</td>
<td>4,963</td>
<td>2,505</td>
</tr>
<tr>
<td>Full-time</td>
<td>33,978</td>
<td>27,670</td>
<td>9,852</td>
<td>2,287</td>
<td>13,406</td>
<td>5,586</td>
</tr>
<tr>
<td>Unemployed</td>
<td>8,010</td>
<td>6,337</td>
<td>1,883</td>
<td>565</td>
<td>1,957</td>
<td>1,021</td>
</tr>
<tr>
<td>Full-time student</td>
<td>2,171</td>
<td>1,202</td>
<td>345</td>
<td>85</td>
<td>404</td>
<td>131</td>
</tr>
<tr>
<td>Economically Inactive:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retired</td>
<td>153,036</td>
<td>98,633</td>
<td>30,959</td>
<td>7,563</td>
<td>34,794</td>
<td>13,345</td>
</tr>
<tr>
<td>Student</td>
<td>8,470</td>
<td>7,156</td>
<td>2,406</td>
<td>570</td>
<td>3,128</td>
<td>1,440</td>
</tr>
<tr>
<td>Looking after home/family</td>
<td>5,285</td>
<td>2,790</td>
<td>855</td>
<td>198</td>
<td>1,198</td>
<td>375</td>
</tr>
<tr>
<td>Permanently sick/Disabled</td>
<td>14,779</td>
<td>10,007</td>
<td>3,350</td>
<td>767</td>
<td>3,934</td>
<td>1,538</td>
</tr>
<tr>
<td>Other</td>
<td>102,986</td>
<td>66,677</td>
<td>20,756</td>
<td>5,025</td>
<td>22,436</td>
<td>8,449</td>
</tr>
</tbody>
</table>

Source: SHS 2001/2

9 The SHS classifies localities into 1 of 6 types:
i) Large Urban Areas: households in the city conurbations of Edinburgh, Aberdeen, Dundee, and Glasgow (settlements 125,000 population and over)
ii) Other Urban Areas: households in settlements of 10,000 to 124,999 people
iii) Accessible Small Towns: households in settlements of between 3,000 and 9,999 people within 30 minutes drive of a settlement of 10,000 or more
iv) Remote Small Towns: small towns between 3,000 and 9,999 people, with a drive time of more than 30 minutes to a settlement of 10,000 or more
v) Accessible Rural: households in settlements of less than 3,000 people within 30 minutes drive of a settlement of 10,000 or more
vi) Remote Rural: households in settlements of less than 3,000 people, with a drive time of more than 30 minutes to a settlement of 10,000 or more.
3.25 Inspection of the above table reveals that although the majority of people with LLTI in Scotland live in urban areas, economic activity rates for this group are higher in more rural areas. Just over a quarter of people with LLTI living in large urban areas are economically active compared with a third in small towns and four out of ten in remote rural areas. People without LLTI are also more likely to be economically active in rural than in urban areas.

Figure 3.6: Method of travel to work by LLTI (percentage of people in employment)

Transport

Source 2001 Census

3.26 Transport can be a considerable problem for disabled people and also people living in rural areas where public transport can be limited and fuel expensive. Figure 3.6 shows that there is little difference in the modes of transport used by people with and without LLTI.
3.27 It can be seen from the above chart that more than half of all people, irrespective of disability status, drove to work, between ten and fifteen percent took a bus or walked, and just under ten percent got a lift. A slightly higher proportion of people with LLTI worked at home. There was little difference in the distance travelled to work between people with and without LLTI (2001 Census).

BENEFIT RECEIPT AMONG DISABLED PEOPLE

3.28 There are no questions on income in the Census so information relating to income in Scotland is difficult to access. Data presented in this section are derived from Benefits and Tax Credits in Scotland: Report for August 2003 (Scottish Executive, 2004).

3.29 In August 2003 554,000 people of working age in Scotland were claiming one or more key disability related benefits:

- 185,200 were in receipt of Incapacity Benefit (6% of the total working age population);
- 281,200 were in receipt of Disability Living allowance (9% of the total working age population);
- 133,800 received Attendance Allowance;
- 36,400 received Severe Disablement Allowance;
- 40,600 received Carers Allowance.

3.30 There have been a number of changes over recent years, for example the number of people receiving Disability Living Allowance has increased by almost a quarter over the past four years. The number of people claiming Incapacity Benefit has remained fairly constant. 11% of the total population of Scotland are in receipt of state benefits due to illness or disability, but recipients of state benefits are not equally distributed across the country. Figure 3.7 shows the percentage of people in receipt of benefit due to illness or disability by Local Authority. Inspection of the chart reveals that Glasgow City has the highest proportion of people in receipt of disability related benefits, followed by Inverclyde, and North Lanarkshire.
Figure 3.7: People of working age in receipt of incapacity benefits by Local Authority (percentage)

Source: DWP 2003
3.31 Applying for DLA involves completing a lengthy form detailing difficulties that the applicant experiences. Thus, rather than being based on medical diagnosis or specific categories, eligibility is based on the effects of a person’s disability. DLA is non-contributory, non-income assessed, and non-taxable, and can be claimed by people in employment. Thus anyone of working age can apply for DLA, and it is a ‘passport’ to other benefits. DLA is payable to people who have personal care needs, mobility needs, or both. It consists of two components:

- A care component, which may be paid at one of three rates
- A mobility component, which may be paid at one of two rates.

3.32 In Scotland in August 2003 a total of 281,200 people were receiving DLA, a higher proportion of the population (6%) than in the UK as a whole (4%). There were a total of 28,900 awards made in the year up to August 2003. The proportion of the population in receipt of DLA varied between LAs, for example 8% of the population in Glasgow City received DLA compared to 3% in Moray. The number of people in receipt of DLA increases with age (see Table 3.11). Although DLA must be applied for prior to the age of 65, individuals who have been awarded DLA prior to the age of 65 continue to receive it.

Table 3.11: Allowances and Awards of DLA by Age and Sex: Scotland, August 2003

<table>
<thead>
<tr>
<th>Ages</th>
<th>Allowances</th>
<th></th>
<th>Awards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>All ages</td>
<td>281,200</td>
<td>137,100</td>
<td>144,100</td>
</tr>
<tr>
<td>&lt;25</td>
<td>35,400</td>
<td>22,100</td>
<td>13,300</td>
</tr>
<tr>
<td>25-49</td>
<td>75,600</td>
<td>35,900</td>
<td>39,700</td>
</tr>
<tr>
<td>50-59</td>
<td>61,000</td>
<td>27,800</td>
<td>33,200</td>
</tr>
<tr>
<td>60-64</td>
<td>39,100</td>
<td>18,600</td>
<td>20,500</td>
</tr>
<tr>
<td>65+</td>
<td>70,100</td>
<td>32,700</td>
<td>37,400</td>
</tr>
</tbody>
</table>

Source: Department of Work and Pensions, IAD Information Centre, August 2003

3.33 Table 3.12 shows the main conditions which affected recipients who were awarded DLA in Scotland in the year to August 2003. It can be seen from the chart that mental health problems accounted for almost a quarter (23.5%) of all awards.
The majority of awards for all conditions with the exception of back ailments included both care and mobility components.

Table 3.12: 10 Awards of DLA by Disability: Scotland, year to August 2003

<table>
<thead>
<tr>
<th>All conditions</th>
<th>All awards</th>
<th>Care component only</th>
<th>Mobility component only</th>
<th>Care and mobility components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mental health causes other than learning disabilities</td>
<td>6,800</td>
<td>1,100</td>
<td>1,200</td>
<td>4,600</td>
</tr>
<tr>
<td>Arthritis</td>
<td>3,200</td>
<td>700</td>
<td>900</td>
<td>1,600</td>
</tr>
<tr>
<td>Malignant disease</td>
<td>3,100</td>
<td>300</td>
<td>100</td>
<td>2,700</td>
</tr>
<tr>
<td>Back ailments</td>
<td>2,200</td>
<td>600</td>
<td>600</td>
<td>100</td>
</tr>
<tr>
<td>Heart disease</td>
<td>1,800</td>
<td>200</td>
<td>700</td>
<td>900</td>
</tr>
<tr>
<td>Muscle/bone/joint disease</td>
<td>1,800</td>
<td>500</td>
<td>400</td>
<td>800</td>
</tr>
<tr>
<td>Learning Difficulties</td>
<td>1,500</td>
<td>500</td>
<td>100</td>
<td>900</td>
</tr>
<tr>
<td>Other</td>
<td>8,500</td>
<td>2,300</td>
<td>1,300</td>
<td>500</td>
</tr>
</tbody>
</table>

Source: Department of Work and Pensions, IAD Information Centre, August 2003

HOUSING

3.34 Access to suitable housing is of vital importance to everyone, however, it is particularly important for people with LLTI to access housing that enables them to retain their independence including participation in the labour market. Unfortunately data relating to the suitability of housing is not available, nevertheless it is of interest to look at the levels of home ownership amongst disabled people. It can be seen from Table 3.13 that a lower proportion of people with LLTI own their own homes, and that a higher proportion live in social rented accommodation. This may be associated with eligibility for housing benefit, which is payable to those in rented accommodation. However, this may create a poverty trap, preventing people from buying their own property.

---

10 Some figures are based on a small number of sample cases and greater care should be taken with interpretation
Table 3.13: LLTI and age group by tenure (percentage of people with and without LLTI who own or rent their homes)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Owned No LLTI</th>
<th>LLTI</th>
<th>Social rented No LLTI</th>
<th>LLTI</th>
<th>Private rented or living free No LLTI</th>
<th>LLTI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>72.0%</td>
<td>49.3%</td>
<td>18.3%</td>
<td>40.7%</td>
<td>9.7%</td>
<td>10.0%</td>
</tr>
<tr>
<td>16-34</td>
<td>63.7%</td>
<td>39.9%</td>
<td>21.5%</td>
<td>44.1%</td>
<td>14.8%</td>
<td>16.0%</td>
</tr>
<tr>
<td>35-49</td>
<td>76.9%</td>
<td>46.1%</td>
<td>16.7%</td>
<td>43.6%</td>
<td>6.4%</td>
<td>10.3%</td>
</tr>
<tr>
<td>50-59</td>
<td>81.2%</td>
<td>54.6%</td>
<td>14.0%</td>
<td>38.1%</td>
<td>4.7%</td>
<td>7.3%</td>
</tr>
<tr>
<td>60-64</td>
<td>79.4%</td>
<td>58.8%</td>
<td>15.1%</td>
<td>34.4%</td>
<td>5.5%</td>
<td>6.8%</td>
</tr>
</tbody>
</table>

Source 2001 Census

SUMMARY OF FINDINGS

The prevalence and distribution of disabled people in Scotland

- Scotland has a higher rate of people with LLTI than England and Wales: in 2001 489,553 working age people in Scotland (15.5% of the total working age population) had a long-term limiting illness.
- The prevalence of disability varies across Scotland: Glasgow City, North Lanarkshire, and West Dunbartonshire have the highest proportions of people of working age with LLTI in Scotland.

Economic activity amongst people with LLTI in Scotland

- People with LLTI are far less likely to be economically active and far less likely to be employed: in 2001 83.2% of people of working age without LLTI were economically active compared with just 30.9% of those with LLTI; a quarter of those with LLTI were employed compared with three-quarters of those without LLTI.
- Economic activity is highest amongst people with LLTI in the younger age group (16-34) and declines thereafter, whereas for people with no LLTI economic activity is highest amongst those aged 35-49.
- People with LLTI are more likely to be unemployed and slightly less likely to be full-time students.
- Two-thirds of people with LLTI living with dependent children are not in employment.
- People with LLTI who are employed are slightly more likely to work part-time.
- A slightly higher proportion of people with LLTI are self-employed.
• A higher proportion of people with LLTI are employed in semi-skilled and unskilled manual occupations and people with LLTI are less likely to reach middle management.

Potential barriers to labour market participation
• A markedly higher proportion of people with LLTI describe their health as ‘not good’ but surprisingly a third of people with LLTI define their health as ‘fairly good’ and one in six as ‘good’.
• More than half of all people with LLTI have no qualifications.
• The proportion of people with LLTI achieving Grade 4, graduate level, is approximately half that of those without LLTI.

Benefit receipt and housing amongst disabled people in Scotland
• 11% of the total population in Scotland were in receipt of state benefits due to illness or disability in 2003 (Glasgow City, Inverclyde and North Lanarkshire had the highest rates of benefit receipt).
• The number of people claiming Disability Living Allowance has increased by a quarter over the last 4 years.
• People with mental health problems account for almost a quarter of all Disability Living Allowance awards.
• People with LLTI are less likely to own their own homes and more likely to live in social rented accommodation.

CONCLUSIONS

3.35 This chapter drew attention to the findings of the main social surveys with regard to the proportion of disabled people in Scotland and their attachment to the labour market. Among the most important findings of this chapter are:

• The prevalence of disability is high in Scotland and particularly high in certain areas. The geographical distribution of disability requires further exploration.
• The fact that economic activity is highest among people with LLTI in the younger age group but declines thereafter suggests that more needs to be done to prevent people with LLTI leaving the labour market.
• Although people with LLTI have worse health than the non-disabled population, the fact that 50% of people with LLTI report good or fairly good health suggests that individual health problems
are not the only cause of economic inactivity for people with LLTI. More work needs to be done to identify the characteristics of those people with LLTI who report good or fairly good health and to identify other possible causes of economic activity for disabled people.

- A high proportion (two thirds) of people with LLTI living with disabled children are not in employment. This finding suggests the need for more research which focuses on the link between disability, employment and child poverty.

- Level of education appears to be strongly associated with LLTI and engagement in economic activity. There are a number of possible explanations for the fact that half of people with LLTI have no qualifications. First, some disabled people may have great difficulty in obtaining qualifications because of cognitive or other impairments. Secondly, those who leave school with no qualification, perhaps as a result of social disadvantage, may subsequently be labelled disabled. Finally, the education system, particularly in the past, may have been inaccessible to many disabled people. More research needs to be carried out to identify the causes since low levels of education have such a negative impact on employment outcomes: the evidence shows that a lower proportion of disabled people work in professional and managerial occupations and a higher proportion are unemployed or engaged in unskilled or semi skilled employment and this is clearly related to level of qualification. It would be useful to carry out research on disabled people who have successfully sustained employment in higher skilled, higher paid employment.

- Finally, the consequences of economic inactivity are evident from this chapter. The fact that a high number of disabled people are dependent on state benefit and are more likely to live in social rented accommodation means that they are more likely to live in poverty. There is little information available on the incomes of disabled people in Scotland and more research which focused on this area and the adequacy of benefits would be useful.

3.36 Chapter 4 considers the extent to which a distinctive Scottish policy on disability and employment has emerged, and whether its concerns reflect wider GB themes and preoccupations.
CHAPTER FOUR: DISABLED PEOPLE AND EMPLOYMENT POLICY AND LEGISLATION: THE SCOTTISH CONTEXT

INTRODUCTION

4.1 This chapter begins by discussing the nature of the equality and social justice agendas in Scotland following devolution and the connections between them. It then maps out the nature and structure of the employment and community regeneration agencies in Scotland and considers their links, first, with social justice and equality and secondly, with the UK employment and equality agenda. The particular programmes offered by a range of agencies to assist disabled people to access employment are mentioned here, but discussed in more depth in Chapter 5.

4.2 As discussed in Chapter 2, UK equality legislation is made by the Westminster government. European legislation is now also placing new obligations on the UK government to widen the scope of equality policies (Directive 2000/43/EC and Directive 2000/78/EC). In relation to anti-discrimination legislation relating to disability and employment, the UK is ahead of many other European countries, since equality legislation is already in place.

4.3 In response to the new European directives, in November 2003 the UK government announced its intention to replace the existing equality commissions (the Disability Rights Commission, the Equal Opportunities Commission and the Commission for Racial Equality) with a single equality commission, which might also deal with human rights issues. There is a commitment to establish a Scottish Human Rights Commission as a separate body. The new Commission for Equality and Human Rights (CEHR) will have an office in Scotland, which will be closely involved in policy development at both Scottish and UK levels.

THE SCOTTISH EQUALITIES AGENDA

4.4 The Scottish Executive published its Equality Strategy Working Together for Equality in 2000. This Strategy set out the Executive’s plans for changing the way it works to ensure better service provision and greater equality of opportunity. It provides a framework for work on all equality areas including disability. Key to achieving this vision was a commitment to mainstreaming equality in policy and programme development, legislation,
spending plans, service design and delivery. The Scottish Executive defines mainstreaming equality as:

*The systematic integration of an equality perspective into the everyday work of government, involving policy makers across all government departments, as well as equality specialists and external partners.* (Scottish Executive, 2000c).

4.5 The Scottish Executive designated equality a key cross-cutting issue and established an Equalities Unit, located in the Development Department, to take forward equality work and promote mainstreaming across the Executive. To date, the Executive has made progress in mainstreaming through a range of activities. These include improving data and information and increasing consultation and dialogue with equality groups including disabled people.

4.6 The Scottish Executive has focused much of its more recent work on changing attitudes to disability. For example, in the document *Closing the Opportunity Gap Scottish Budget for 2003 – 2006*, a commitment was made to raising public awareness of disabilities during the European Year of Disabled People.

4.7 The Scottish Executive also jointly commissioned work on attitudes to discrimination in Scotland with the DRC (Scottish Executive, 2003c), which indicated that disabled people were less likely to be regarded as the victims of discrimination than other equality groups and that people were less likely to say that they themselves held discriminatory attitudes against disabled people compared with other groups. Overall, people were more likely to say that measures to tackle discrimination against disabled people had not gone far enough rather than had gone too far. It is unclear, however, who the people who took part in the survey perceived as ‘disabled’ and their perceptions of ‘disability’ may not equate with those of the DDA. It is possible, for example, that some people do not include people with mental health problems as disabled.

**THE SCOTTISH SOCIAL JUSTICE AGENDA**

4.8 The social justice agenda in Scotland has a clear focus on tackling social exclusion and poverty. As we shall see in the following discussion, equality issues have been somewhat
marginalized in the economic analysis which underpins work in this area.

4.9 In 1999, the document *Social Inclusion – Opening the Doors to a Better Scotland* (Scottish Executive, 1999a) set out the UK Government’s strategy for tackling social exclusion in Scotland. The strategy created a Scotland in which:

- every child, whatever his or her social or economic background, has the best possible start in life
- there are opportunities to work for all those who are able to do so
- those who are unable to work or are beyond the normal working age have a decent quality of life
- everyone is enabled and encouraged to participate to the maximum of their potential.

4.10 Following devolution, the social inclusion strategy evolved into a social justice strategy, set out in the document *Social Justice – A Scotland Where Everyone Matters* (Scottish Executive, 2000). Targets and milestones were established in relation to children, young people, families and working age people, older people and communities and the Scottish Executive made a four year commitment to report annually on progress in relation to the social justice milestones. None of the milestones mentioned disabled people explicitly (although one referred to people with learning disabilities), although many implicitly related to the social position and employment experiences of this group.

4.11 In the report *Social Justice…A Scotland where everyone matters: Indicators of Progress 2003* (Scottish Executive 2004b), the Scottish Executive reviewed progress in relation to the milestones, which, it claimed, demonstrated that its social justice goals were being achieved. However, the statistics indicate that there has been little progress in terms of including disabled people in employment.

4.12 The report *Closing the Opportunity Gap: Scottish Budget for 2003 – 2006* is intended to explain how the budget is addressing the Scottish Executive’s social justice goals. There are very few mentions of disability in the report, although ill-health is identified as an obstacle to employment. Disabled students are identified as one of the beneficiary groups of efforts to widen access to higher education and there is a commitment to working with the
Disability Rights Commission to raise public awareness of disability issues. However, despite the very low employment rates of disabled people, and the growing number of IB claimants, there is no explicit commitment to channelling resources to address these problems. However, on the positive side it should be noted that the Pathways to Work Pilot in Renfrewshire, Inverclyde and Bute is one of four underway in the UK with an additional three starting in 2004. It is hoped that these pilots will be useful in providing information about the types of health and employment interventions which are likely to be useful in assisting IB claimants to re-engage with the labour market.

4.13 Among groups recognised as experiencing labour market disadvantage, disabled people have the lowest rate of labour market participation (see Table 4.1).

Table 4.1: Percentage of working age people in employment in Scotland from relatively disadvantaged groups in the labour market,\textsuperscript{11} 1997 – 2003

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lone parents</td>
<td>42</td>
<td>48</td>
<td>48</td>
<td>51</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td>Ethnic minorities</td>
<td>55</td>
<td>51</td>
<td>50</td>
<td>56</td>
<td>49</td>
<td>57</td>
</tr>
<tr>
<td>People aged 50+</td>
<td>60</td>
<td>61</td>
<td>61</td>
<td>63</td>
<td>64</td>
<td>64</td>
</tr>
<tr>
<td>People with a disability</td>
<td>-</td>
<td>36</td>
<td>37</td>
<td>39</td>
<td>40</td>
<td>39</td>
</tr>
<tr>
<td>All people</td>
<td>71</td>
<td>72</td>
<td>71</td>
<td>73</td>
<td>73</td>
<td>74</td>
</tr>
</tbody>
</table>

Source: Labour Force Survey: Office for National Statistics

4.14 This table is used to support the Scottish Executive’s claim of progress in its objective of increasing the employment rates of groups, such as lone parents and ethnic minorities, which are relatively disadvantaged in the labour market. However, it does not draw attention to the fact that the employment rate of disabled people in Scotland is much worse than in GB as a whole (GB:

\textsuperscript{11} Groups relatively disadvantaged in the labour market are those identified by the Scottish Executive Social Inclusion Division in the publication \textit{Social Justice Indicators of Progress 2003} (Scottish Executive, 2004b).
The percentage of disabled people in employment slightly decreased between February 2002 and February 2003. At the same time, two thirds of jobless benefits claimants were on incapacity benefit, therefore the employment situation of this group is likely to have a significant impact on the proportion of people living in low income households. The report notes that about 19% of working age adults in Scotland were living in households with income below 60% of the median after housing costs, and about 40% of these adults were living in households with dependent children.

4.15 An important piece of the jigsaw, is that the majority of working age adults in workless households are likely to be incapacity benefit claimants and therefore, by definition, sick or disabled. Addressing the employment status of disabled adults is therefore critical to tackling the problems of low income households and child poverty.

STRUCTURES AND AGENCIES

4.16 Scotland has developed its own structures and agencies to deal with local economic development and community regeneration. There are currently 48 Social Inclusion Partnerships (SIPs) and 54 Local Rural Partnerships (LRPs) operating around Scotland with different origins and foci. They are multi-agency and include local authorities, health boards, further education providers, the private sector, the local community and the voluntary sector. Social Inclusion Partnerships are funded from the Social Inclusion Partnership Fund which replaced the Urban Programme in April 1999. Their remit is to promote social inclusion, challenge social exclusion and develop innovative models of working. Promoting employment opportunities in socially disadvantaged areas is a key part of this work. The regeneration arm of Communities Scotland currently has responsibility for the SIPs, and it is envisaged that over coming years they will be ‘mainstreamed’ into evolving local Community Planning structures.

4.17 The Scottish Executive’s community regeneration statement entitled Better Communities in Scotland: Closing the Gap was published in June 2002 (Scottish Executive, 2002a). The document set out plans for the development of Community Planning Partnerships, encompassing many of the bodies involved in the SIPs. One of the goals was to build communities ‘where
people have the opportunity to learn, work and play’. Although enhancing employment opportunities lies at the heart of community planning, there is some evidence that efforts at local level are divorced from the wider UK context. For example, an evaluation of Pathfinder Community Planning projects published by COSLA (Rogers, 2000) indicated that only six local authorities included the Employment Service and only four were working with the Benefits Agency. Enhancing employability or job readiness through the development of literacy and numeracy was seen as a key element of community learning and development. A report on adult literacy and numeracy (Scottish Executive, 2001b) included a commitment to doubling the number of learning opportunities, making Scotland’s literacy and numeracy services among the best in the world and helping 80,000 adults by March 2004. Responsibility for adult literacy and numeracy lies with the Scottish Executive Enterprise, Transport and Lifelong Learning Department, although research and development functions are delegated to a new development centre, Learning Connections, which is located within Communities Scotland.

4.18 Whilst the needs of socially disadvantaged communities are prioritised in the Communities Regeneration Statement, the development of the Scottish economy more widely is managed through Scottish Enterprise and Highlands and Islands Enterprise. These organisations were in place before devolution, but since 1999 their roles have evolved. Plans for the Enterprise Networks (incorporating the Local Enterprise Companies and Careers Scotland) are set out in the document A Smart, Successful Scotland: Ambitions for the Enterprise Networks (Scottish Executive 2001a). Three organising themes are identified: growing businesses, global connections and learning and skills. ‘Narrowing the gap in unemployment’ is identified as a major challenge, but the focus is on unemployment rates rather than joblessness. The New Deal is described as having made ‘a substantial contribution, along with macroeconomic stability, to tackling unemployment’. However, the comparative lack of success of the New Deal for Disabled People, and the problem of ‘hidden unemployment’, particularly in Glasgow and Dundee, are not alluded to. Social justice and equality are referred to as linking issues, but are not seen as central concerns, although the need to reduce the number of young people not in employment, education or training (NEET) is highlighted. However, the much
larger problem of older men detached from the labour market is not given the same attention.

4.19 The Scottish Enterprise Network is responsible for key aspects of training and guidance. It manages the New Futures Fund, which has supported a number of innovative employment-focused programmes for adults experiencing multiple disadvantage. Local Enterprise Companies control the post-16 training budget in Scotland, running Skillseekers programmes for young people in the post-16 age group and Training for Work for Adults. The Special Skillseekers programme for young people with special educational needs has been replaced by Get Ready for Work, managed by the Enterprise networks with Careers Scotland providing the Personal Advisory Service aspect of the programme. Responsibility for the All Age Guidance projects and the Inclusiveness projects, funded as a result of the Beattie Report, also lies with Careers Scotland. These programmes are discussed in more detail in Chapter 5.

4.20 Finally, the Review of Scotland’s Cities (Scottish Executive, 2002b) provides some interesting insights into thinking about urban regeneration and employment. The overall message of the report is that, whilst the economies of Edinburgh and Aberdeen are relatively buoyant, those of Glasgow and Dundee are struggling. The report notes that measures of unemployment are inadequate, because they do not get to grips with the problem of ‘hidden unemployment’, which is a particular problem in cities such as Glasgow and Dundee. However, the report is somewhat dismissive about the exclusion of disabled people from the labour market noting,

*Labour market analysts take the view that an employment rate of close to 80 per cent, measured in this way (i.e. by the employment rate) gets close to a measure of full employment as there are around a fifth of the population who are either too sick or disabled for work, full time students or early retired on significant pensions.* (Scottish Executive, 2002b: 42)

4.21 The Disability Rights Commission and Jobcentre Plus analysts would take issue with the view that such a large proportion of disabled people are unable to participate at all in employment. Both groups would argue that disability is not a fixed category and the key factor affecting employment decisions is the degree of
support which is available in the workplace, the effort expended on retention and rehabilitation and the economic incentives attached to labour market participation.

CONCLUSIONS

4.22 This chapter has reviewed approaches to equality and social justice in Scotland in the light of the employment of disabled people. The main findings of this chapter are:

- Within Scotland, there appears to be scope for closer articulation between the equalities and social justice agenda (this is epitomised by a diagram in the publication *A Smart, Successful Scotland* (Scottish Executive, 2001a) on the implications of Scotland’s new economic agenda: Social Justice and Equal Opportunities are represented at opposite sides of a circle, with the key themes (global connections, growing business and learning and skills) at the centre.

- Disability should be seen as a major focus for community regeneration and economic redistribution initiatives, which lie at the heart of the social justice agenda, since the majority of the ‘hidden unemployed’ in Scotland are incapacity benefits claimants who are, by definition, disabled. The principal reason for poverty and economic inactivity in cities like Glasgow and Dundee is the high number of people claiming incapacity benefits, many of whom are older men who have become detached from the labour market.

- The key Scottish policy documents in the field of social justice make few connections with the UK employment policy agenda, for example, little mention is made of the reshaping of the Employment Service and the Benefits Agency into Jobcentre Plus, which is intended to offer integrated employment and benefits support to economically inactive people. In addition, the major preoccupation at UK policy level, that is the problem of hidden unemployment and the connections with disability, is referred to in some policy documents (e.g. the Cities Review) but is not dealt with extensively. Key initiatives taking place in Scotland as a result of the UK policy agenda (the implementation and extension of the DDA, the NMW, the NDDP) are again barely mentioned and are not presented as a significant part of the backcloth shaping Scottish policies.

- There are strong arguments that the major levers affecting disability and employment are to be found within the benefits
system and its relationship with employment support systems. Scotland does not have control of these areas, and this may have an important impact on the country’s ability to effect change in this area. It is important that the equality and social justice agendas are well connected, with a recognition that addressing the barriers faced by disabled people is germane to raising employment rates. This suggests that there is a need to look again at the responsibilities and interface of key government departments at Westminster (specifically the DfES and DWP) and the Scottish Executive (specifically the Department of Enterprise, Transport and Lifelong Learning, the Development Department and the Scottish Executive Education Department).

4.23 Following this discussion of the equality and social justice agendas in Scotland, Chapter 5 moves on to look at the various employment programmes which have been developed for disabled people.
CHAPTER FIVE: UK AND SCOTTISH PROGRAMMES AND INITIATIVES

INTRODUCTION

5.1 This chapter begins by exploring existing employment programmes for disabled people run by Jobcentre Plus, including the IB pilots launched in 2003. Subsequently, it explores the particular programmes and initiatives which have been developed at a national level in Scotland, run by a range of agencies such as Scottish Enterprise and Careers Scotland. Local initiatives, developed by, for example, Glasgow City Council, are also discussed. It also considers what is known about the effectiveness of different programmes and components. Finally, it considers some of the dilemmas with regard to how programme success should be measured and which groups should be targeted.

JOBCENTRE PLUS DISABILITY EMPLOYMENT PROGRAMMES

5.2 The 1944 Employment Act established the quota system whereby employers with 20 or more employees were obliged to ensure that at least 3% of their workforce was made up of disabled people. The legislation also made provision for the establishment of a national network of industrial rehabilitation units to provide intensive support for disabled people wishing to return to mainstream employment. Jobcentre Plus continues to provide a number of specialist programmes geared towards the needs of disabled people. These programmes have evolved since the 1940s, due to changes in the labour market and the disabled population. Modes of management and delivery have also altered, and since the 1980s, many services have been contracted out to the private and voluntary sectors rather than being delivered directly by Jobcentre Plus. In the study of Work Preparation reported by Banks et al (2002), Disability Employment Advisers (DEAs) reported that the majority of their time was spent on assessment, counselling and placement work, and they would prefer to spend more time liaising with employers and delivering support to disabled people in the field. DEAs lack a career structure and access to initial training and continuing professional development (Floyd et al, 2004 forthcoming). The House of Commons Work and Pensions Committee (House of Commons, 2003a) noted dissatisfaction amongst disability organisations with the service
being delivered by DEAs, and raised questions about whether
Jobcentre Plus staff were over-stretched and under-qualified. It
should be noted, however, that PA posts have been created in
Jobcentre Plus offices to deal with incapacity benefit customers.
These PAs will be given additional training.

Access to Work

5.3 The Access to Work (AtW) scheme provides assistance for
disabled people and their employers for employment-related costs
resulting from a disability. There are four main elements of
support:

- support to workers in the workplace or to assist in getting to work;
- help with costs of travel to work;
- alterations to workplace premises; and
- aids and equipment in the workplace.

5.4 Between April 1996 and March 2001, 37,236 people received
help through AtW and the budget was £29.9 million. Spend on
Access to Work and the number of people who have been helped
by the scheme have more than trebled since 1997 and the process
has been improved since the establishment of AtW Business
centres. Access to Work is seen as a very helpful programme in
terms of enabling disabled people to obtain and retain employment
(Thornton and Corden, 2002; Roulstone et al, 2003). However,
those who gave evidence to the Work and Pensions Committee
(House of Commons, 2003a) noted a number of problems with its
operation:

- it was seen as having a low level of overall funding;
- there were delays in making assessments and processing
  applications;
- entitlement was discretionary;
- there was no right of appeal;
- there was a lack of continuity of support when the disabled person
  moved job;
- it was not available for work placements, vocational training and
  volunteering;
- the relationship between AtW funding and the employer’s duty
  under DDA Part 2 to make reasonable adjustments was unclear;
- it was not sufficiently publicised and many disabled people and
  employers did not know of its existence (this might be due to its
capped budget, disinclining the Government to stimulate demand, particularly at a time when they were trying to get employers to take more responsibility for making reasonable adjustments).

5.5 In addition to overlaps with DDA Part 2, there may be some degree of overlap with Direct Payments provisions. Direct Payment may be used to purchase support in the workplace, although many local authorities have been conservative in their interpretation of the legislation and only make payments for assistance delivered in the home to facilitate personal care. Ideally, funds available through the employers’ duty to make reasonable adjustments, Access to Work and Direct Payments could be pooled, to enable the disabled person to obtain a full range of physical, IT and personal report necessary to undertake their job. Direct Payments fall within local authorities’ area of governance, so better integration of work support programmes would require closer liaison between local government and JCP. Other allowances, such as those drawn from the Independent Living Fund and the Disabled Students’ Allowance, could also be combined to provide a comprehensive package of support.

5.6 In Scotland, the provision of AtW has been centralised in Glasgow with the support of some field staff and contracted assessment specialists. The team work to set targets and process more than 200 new applications per month. In 2003, expenditure in Scotland was in excess of £4 million.

**WORKSTEP**

5.7 This is a relatively new programme which replaced the former Supported Employment programme. Delivered in partnership with local authorities, voluntary organisations and Remploy Ltd, the programme is geared towards people with more complex support needs. However, people are only eligible for the programme if they are able to work at least 16 hours per week. Changes to the former Supported Employment programme were justified on the grounds that service users were remaining in sheltered placements doing low-level work for many years and insufficient numbers were progressing into the open labour market. WORKSTEP providers agree with the individual and the employer the type of support that is needed, such as mentors, job coaches etc. Wage subsidies can still be agreed but these should be less frequent and time limited, or involve a tapering of support over time.
5.8 A key aim of WORKSTEP is to ensure that people in supported employment develop and make progress. Providers of WORKSTEP were initially given modest progression targets and a proportion of their funding depended on the number of people moving into and sustaining mainstream employment. However, WORKSTEP users have the opportunity and support to make an informed choice about whether progression is the right course for them. If they decide not to pursue progression, this should be reviewed periodically. New providers found difficulty in meeting their initial recruitment and progression aims (Thornton et al, 2004) and the latter have now been withdrawn from WORKSTEP contracts and guidance. There is still an emphasis on progression, and longer term support is available if this is required by the individual. Providers also complained that many clients required the development of employability skills prior to entering a work placement, but no payment was made for this support. The funding of work preparation activities prior to placement is now being considered by the government, following the recommendations of the House of Commons Work and Pensions Committee (House of Commons, 2003a).

**Work Preparation**

5.9 Work Preparation is Jobcentre Plus’ main rehabilitation and retention programme. Scottish and GB evaluations of users’ experiences and outcomes have recently been conducted and these are discussed below. Other programmes and support mechanisms to assist disabled people during the transition to work include the Job Introduction Scheme and Work Trials.

5.10 Work Preparation has a modest and capped budget (£11.2 million in 2001-2) and is aimed at disabled people who are considering returning to the labour market or entering employment for the first time. The programme is normally delivered by a range of voluntary and private training organisations which typically offer a 6-8 week job placement (maximum 13 weeks) to allow the person’s employment skills to be assessed, with a view to looking for work or seeking further training. Work Preparation may also be used to support job search and job matching, personal development activities geared towards enhancing employability, self-employment, counselling and placement in a social firm. However, job placement is by far the most common form of Work Preparation and in many regions is the standard form of provision.
Job retention cases account for only 1% of the total. Supported employment was not traditionally funded through Work Preparation, although under the National Disability Development Initiative Programme, a Scottish voluntary organisation delivered a form of Work Preparation incorporating supported employment principles (see Riddell et al, 2002). There is no qualifying benefits status for participation in the Work Preparation programme. However, following an internal review in 2002, JCP indicated to DEAs that the programme should be restricted to those closest to the labour market. The programme was under particular pressure in London and the South East, where it was used by Job Brokers for clients who were not immediately ready for employment.

5.11 Research conducted by Riddell et al (2002) focused on the delivery of the Work Preparation programme in Scotland. Outcomes of Work Preparation participants over an 18 month period were analysed, and findings mirrored closely those of the GB study reported above. The study found large discrepancies across Scotland in relation to the client groups catered for. Provision for people with mental health problems and learning disabilities was particularly patchy and outcomes for people with mental health problems were significantly worse than for other groups. The range of contracts now includes an organization specialising in supporting people with mental health problems.

5.12 The Scottish research also explored disabled people’s and employers’ views of a particular programme run by a large voluntary organisation catering for people with learning disabilities. It was found that employers had very little idea of the purpose of Work Preparation, and failed to distinguish between WP clients and people from New Deal and work experience programmes. They complained that they were given inadequate information about clients’ needs and difficulties, had no additional funds to put support in place and that the time allowed was insufficient to allow supportive relationships to develop in the workplace. Programme participants were often disappointed as well. The majority were committed to working, and were upset to discover that a job was unlikely to materialise at the end of the placement. Many had participated in several training programmes and felt that they were ‘trained enough’ for a job. It should be noted that current contracts have an incentive payment to increase the numbers of people gaining employment within 13 weeks of course completion.
5.13 An evaluation of the Work Preparation programme was undertaken recently by Jobcentre Plus’ Disability Research Partnership (Banks et al, 2002). This evaluation used focus groups and interviews to access the views of Disability Service Team (DST) managers, DEAs, Occupational Psychologists (OPs) and service providers. A short questionnaire was used with disabled people’s organisations and employers. There was some confusion with regard to the Programme’s target group, with some DEAs and DST managers maintaining they were reluctant to restrict entry to those closest to the labour market since they felt a moral obligation to provide assistance to those who were keen to work but had longer-term support needs. At the same time, they recognised that a short placement was only likely to be of use to the most able. There were also disagreements about how outcomes should be measured. Focusing on hard outcomes was likely to lead to ‘creaming’ of clients, whereas measures of soft outcomes, including a range of indicators of employability, were likely to be unreliable. Doubts about the quality of the programme were raised, and it was acknowledged by DST managers that it was very difficult to monitor contract compliance. It was also recognised that boundaries with other assessment and training programmes were confused.

5.14 With regard to outcomes, the team noted discrepancies between aggregated data reported by DST managers to Jobcentre Plus and individual records held at regional level. Outcomes were measured at 13 weeks after the end of the programme and responsibility for reporting on destinations lay with programme providers. However, by this time they had received payment for JCP and as a result many service providers failed to provide 13 week destinations; this information was missing for about 50% of clients. Of those who completed the programme, about 20% were in employment (which might be full-time or part-time), 12% required further education or training and 68% had an unknown or unsuccessful outcome. Some DEAs felt that the definition of successful outcome was too restrictive, and for some people discovering that paid work was not a realistic possibility could be regarded as a positive result.

5.15 The GB research highlighted some degree of confusion and dissatisfaction with professional roles. Some DEAs felt that they were not kept sufficiently informed about client progress by
service providers. They were involved in an initial assessment of clients, who were then passed over to a service provider, whose first job was to draw up an action plan in conjunction with the client. A final report at the end of the placement was intended to indicate the extent to which agreed actions had been achieved. However, the action plan and the record of progress were often completed somewhat sketchily. DEAs rarely visited clients on placement, and would have preferred more scope for interaction with the client and the employer. Occupational Psychologists were also frustrated that their job involved an initial assessment of the more difficult cases, but again they rarely had the opportunity to observe the client in the field and suggest further support measures. They too would have appreciated a more hands on role. Service providers, for their part, felt they were given inadequate information by DEAs and the funding per client was insufficient to provide the degree of support which was often required. Work Preparation was often only a small part of their work repertoire, and they inevitably focused on the programmes which were more lucrative.

**Incapacity Benefits Pilots**

5.16 As noted in the discussion of the 2002 Green Paper (Pathways to Work) (DWP, 2002) in Chapter 2, the Government is committed to finding ways of restricting growth in the number of IB claimants by encouraging economically inactive disabled people to return to work. In the pilot areas, following a work-focussed interview, people with ‘less serious conditions’ are to be directed towards short programmes designed to assist them in understanding and assessing the impact of their conditions on their employment options. Some of the programmes are to offer ‘work-focussed support delivered by Jobcentre Plus’ and some to provide ‘health-focused rehabilitation delivered by, and building on, best practice within the NHS’. One of the pilots is taking place in Scotland, but preliminary findings of its impact are not yet available. Like other DWP programmes, there is a danger that Scottish data will not be disaggregated from the wider GB picture, but it would be extremely helpful for policy makers and practitioners in Scotland to be able to learn lessons from the Scottish experience of the IB pilots.

5.17 Reviewing these new developments, the TUC (2003) welcomed the new focus on rehabilitation, noting that 27,000 GB workers leave the workplace due to illness each year and never
return. However, the IB pilots are geared towards those who have already left their jobs, and there is a need for a much greater focus on preventative and retention measures. These would include occupational health interventions which make the workplace less hazardous for all, along with access to financial and practical support to enable people to retain their jobs following an accident or the onset of illness. Countries like the Netherlands have improved retention rates by placing the financial onus on employers to retain staff following sickness or injury.

**SCOTTISH PROGRAMMES**

5.18 Having reviewed Jobcentre Plus programmes, which operate throughout GB, this chapter now turns to Scotland-specific programmes. First, it is worth noting that the LECS have responsibility for the management and delivery of training programmes, including Skillseekers and Modern Apprenticeships for school-leavers and Training for Work for adults. Careers Scotland manages the Personal Advisory Service and referral aspects of the Get Ready for Work programme for 16-18 year olds with additional support needs, whilst the operational aspect is managed by the Enterprise Networks. These programmes are accessed by people with disabilities. Data are not available on a range of measures across the programme. Scottish Enterprise has not had a policy of undertaking a rolling review programme of training provision for disabled people, however, this will be addressed as part of the Skills Development Information Strategy.

**The New Futures Fund**

5.19 The New Futures Fund (NFF), launched in May 1998 with a budget of £15 million over 3 years, was managed by Scottish Enterprise and was intended to promote the employability of people with multiple barriers to employment, including those on Incapacity Benefit. The programme was intended to complement the work of the New Deal by making provision for multiply disadvantaged people whose needs were unlikely to be met by other programmes. Although it is an employment programme it does not expect or require job outcomes, the emphasis is on small steps of progress. The Advisory Management group of the NFF is chaired by a Board member of Scottish Enterprise and includes a senior representative of Jobcentre Plus and voluntary sector organisations.
5.20 The following are key findings of the Phase 1 evaluation, covering the period January 2000 – March 2002:

- NFF clients face multiple disadvantages: a third have never worked; 45% have no qualifications; at least 38% are affected by substance abuse; a minimum of 28% have a criminal record; and mental health issues represent a barrier for almost a quarter.
- 3,030 have moved on from NFF, of these 54% have achieved positive outcomes: 14% got jobs; 13% went into further education; just under 8% went into a Government training programme such as New Deal or Skillseekers, and 6% were engaged in voluntary work; softer positive outcomes were achieved by many others.
- It is appropriate for NFF to focus on softer outcomes as well as employment for this client group.
- NFF has brought something additional, providing opportunities for people who are often rejected by mainstream programmes on the grounds that they are too far away from the labour market.
- New partnerships and networks have developed. There is evidence that the ‘social’ end of the support spectrum has come closer to the ‘economic’ end, suggesting the NFF is succeeding in creating an infrastructure to support this client group.

5.21 A summary of the interim evaluation of Phase 2 of the project (Scottish Enterprise, 2002) noted that, on the basis of discussion with clients and projects, most time was spent on personal development work and analysis of barriers to employment, rather than on activities geared towards obtaining employment (e.g. work placements/tasters, action planning, interview techniques, CVs, job applications). In addition, despite close relationships during the course of the project, in almost all cases aftercare was weak. Therefore, even though clients did improve their employability, they did not continue to build on this progress at the end of the project. It was also noted that horizontal links with a range of support services were good, but vertical links with Jobcentre Plus, Careers Scotland, local enterprise companies and employers were much less well developed. In recognition of the low traffic between the Employment Service (now Jobcentre Plus) and New Futures projects, a protocol on joint working was piloted in Glasgow and Dumfries and Galloway. The pilot proved successful with good practices being shared between the organisations. The results of the evaluation were discussed within both organisations and the protocol rolled out. This ensured that
NFF customers could access Jobcentre Plus services at an appropriate point and this increased their routeways into work.

5.22 Table 5.1 shows the reported outcomes from the Interim Evaluation of Phase 2:

**Table 5.1: Outcomes reported from the Interim Evaluation of Phase 2 of the New Futures Fund, 2003**

<table>
<thead>
<tr>
<th>Outcome</th>
<th>End of project</th>
<th>Three months later</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>21%</td>
<td>18%</td>
</tr>
<tr>
<td>Training, further or higher education</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td>Government training programme</td>
<td>14%</td>
<td>10%</td>
</tr>
<tr>
<td>Volunteering</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Economically inactive (not looking for work)</td>
<td>35%</td>
<td>30%</td>
</tr>
<tr>
<td>Unemployed (actively looking for work)</td>
<td>3%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Source: Scottish Enterprise October 2003

5.23 The second phase of funding for NFF projects runs until May 2005. By this time, it is assumed mainstreaming will have taken place. Individual projects are being helped to identify alternative sources of funding by the Enterprise Networks. Some projects have received longer-term commitment from local authorities, but inevitable questions will be asked about the extent to which projects are tackling the problem of long-term economic inactivity. The employment outcomes (about 20% moving into employment), are fairly close to those achieved by other employment programmes for disabled people, such as the Job Brokers roll-out of the NDDP and Work Preparation. However, with more than a third of people still economically inactive at the end of the project, some might question whether this outcome is sufficiently good to justify further funding.

**The Glasgow Challenge**

5.24 A research project entitled *The Glasgow Challenge* (MacDougall et al, 2003) explored employment rates and experiences of workless people in Glasgow. The aims of the project were to:
• Estimate the proportion of Glasgow’s non-JSA benefit claimants closest to the job market;
• Identify their needs, aspirations, fears and barriers to work;
• Inform the development of pilot projects to engage with people in this group who want to work.

5.25 The research consisted of secondary data analysis of employment and benefits statistics and a survey of 296 non-JSA claimants. Like the New Futures Fund employment projects, the focus of the research was on the large group of people who are economically inactive in Glasgow, the majority of whom are on IB.

5.26 As noted earlier, despite an expanding jobs base, falling unemployment and a rising employment rate, Glasgow still has one of the lowest proportions of working age people in employment in Scotland. Just over 90,000 adults in Glasgow are claiming a non-JSA key benefit, including 71,000 people claiming IB and 17,000 lone parents.

5.27 The research estimated that there were at least 10,000 people with an active approach to the labour market who felt it would be relatively easy to find work and another 25,000 people who would be interested in working but believed it would be hard to find a job. The development of a client-centred approach, geared towards raising motivation and self-confidence, was seen as important in helping non-JSA claimants to find work. Significant gaps in services which needed to be filled included:

• increasing support around transitions into work and in work
• better linkages with employers
• making services for disabled people more work focused.

5.28 A ‘hard-edged review’ of services working with this group was suggested, since services did not appear to be well engaged with clients. In addition, there was a pressing need for the main funders of welfare to work services to work together more closely to align their resources, develop a common understanding of the city’s infrastructure in relation to employment support and examine ways in which funding mechanisms incentivise or distort more integrated service delivery.
Equal Access to Employment

5.29 In response to the recommendations of the research described above, in 2003, a consultation document, *Equal Access to Employment*, was published, which set out a future strategy for tackling this problem in the city. The report noted that, despite the economic growth of the city between 1999 and 2002, the benefits had not ‘trickled down’ to the most disadvantaged groups. As indicated in *The Glasgow Challenge* report, registered unemployed people (JSA claimants) amounted to only 18,000 people, representing less than a quarter of all those out of work in the city. The strategy therefore had to focus on non-JSA claimants, particularly those on IB.

5.30 The following were identified as key principles of the new strategy:

- There is a need for a partnership arrangement between the public agencies, the voluntary sector and employers.
- People who have health or social care needs will be enabled, wherever possible, to progress to real jobs in the labour market, offering the same employment conditions and opportunities for career advancement enjoyed by the rest of the workforce.
- The development of a person’s capacity to enter, re-enter or retrain for employment will be one of the central elements of health and social care.
- The health and social care sector will refocus its energies and re-align its resources to provide people with health and social care support needs to enter and sustain employment, rather than providing services in vocational and employment skills.
- Wherever possible, users of health and social care services will be moved to mainstream employment and training projects and these projects will be responsible for placing people in jobs.
- Mainstream employment, training and educational institutions will ensure that their resources and expertise are made available to people needing elements of health and social care support.
- The programmes will be developed and re-aligned to meet the specific needs of employers and their potential employees to ensure equal access to training and employment opportunities.

5.31 The report noted that Social Work Services spent about £8 million per annum on training and employment initiatives aimed at people with multiple barriers to employment, including people
with learning disabilities and/or mental health problems. The projects, mainly funded under Section 10 grants, were not planned in a strategic manner, and did not encourage progression into mainstream employment. The aim of the new strategy was to build bridges between the health and social care sectors and the mainstream employment programmes, in particular those funded by Jobcentre Plus and local enterprise companies. Supported employment is seen as one of the key means of bridging this gap. A recent report from the Scottish Development Centre is referred to, which notes that in the USA the supported employment model is twice as effective as traditional vocational services in moving people into employment. 58% of people with severe mental illness in the USA found employment through supported employment. However, it should be noted that evaluations of supported employment in the UK have reported much smaller gains (Beyer et al, 1996; Riddell et al, 1999).

**Health and Safety at Work Initiatives**

5.32 In addition to encouraging disabled people back into employment, there has been a focus on improving health and safety at work to prevent people from leaving employment as a result of sickness or disability arising whilst in work. At the launch of *Securing Health Together* (Scottish Executive Health Department, 2000) it was announced that £3 million pounds would be ring-fenced over three years to deliver occupational health and safety services for small to medium sized enterprises (SMEs). Fifty one % of the Scottish workforce is employed by 243,000 SMEs in Scotland, but more than 60% of these workplaces have little or no access to occupational health and/or safety provision.

5.33 In order to fill this gap, an occupational health and safety service for SMEs in Scotland was launched in 2003 entitled *Safe and Healthy Working*. The scheme, funded by the Scottish Executive and managed by Health Scotland and operating in three regions, aims to give all SME employers and their workers equal access to free and confidential advice, information and support on occupational health and safety in the workplace. Specifically, it aims to help employers and employees identify and tackle workplace issues including ‘stress, back pain, working with dangerous substances, disability and the particular hazards of lone working’ (Smith, 2003). There is also an interactive website (www.safeandhealthyworking.com) which provides in-depth information and signposting to other relevant organisations and
services, and a facility for organisations to input queries and questions to the advisors. An ongoing evaluation of the scheme is taking place.

5.34 A further two year initiative, HealthyReturn, has been launched in the Greater Glasgow area with the aim of offering a range of healthcare and workplace services to people living in this area. The scheme is aimed at anyone who has been off work because of an injury, illness or disability for between six weeks and six months, and participation is voluntary. Support on offer includes health care (physio and occupational therapy, mental health care, counselling, coaching, massage) and workplace support (advice on ergonomics, health and safety, occupational health). The impact of these different types of support is to be tested using control and experimental groups.

Careers Scotland

5.35 Careers Scotland is one of the key agencies focusing on the development of employability. Following the Duffner Review of the Careers Services, announced in 1999, the Scottish Executive announced its plans for the future service in the document Careers Scotland –The Way Forward (Scottish Executive, 2001d). It was decided to align the Careers Service, Education Business Partnerships (EBPs), Adult Guidance Networks (AGNs) and Local Learning Partnerships (LLPs) with the two Enterprise Networks of the Highlands and Islands (HEI) and Scottish Enterprise(SE). The new organisation, Careers Scotland, was operational from April 2002. Careers Scotland took over the management of two key initiatives which were already underway at the time of its inception, the All Age Guidance Service and the Inclusiveness projects. The aims of the two initiatives were:

• To improve the skills and employability of Scotland’s most disadvantaged young people
• To raise awareness of and access to advice and guidance services to facilitate entry and re-entry to the labour market for people of all ages
• To improve access and opportunities to raise skill levels and achieve the full potential of people of all ages in the Scottish labour force.

5.36 The All Age Guidance Service was intended to address the latter two aims, whilst the Inclusiveness projects were focused on
the first goal. The key areas of the projects and preliminary findings are outlined below.

**All Age Guidance projects**

5.37 The evaluation of the AAG Service (Segal Quince Wicksteed, 2003) consisted of 559 telephone interviews with AAG clients between November 2002 and February 2003. The clients were recruited to the study from across Scotland and some had only been in touch with the AAG adviser for a few months. The evaluation focused particularly on the actions clients had taken since their first contact with Careers Scotland. It appeared that:

- 66% had applied for a job and 31% had started a new job;
- 32% had applied for training or education courses and 24% had started a course
- 23% had looked into financial support and 10% had been successful
- 8% reported no outcome
- Among those that were unemployed, 78% applied for a job and 36% started a new job.

5.38 In addition to hard outcomes, clients reported that they had benefited in terms of clarifying goals even if this had not yet led to employment. The researchers attempted to assess the additionality of the AAG service, but in the absence of baseline statistics, this was difficult. Using client perspectives and previous data in the areas where this existed, they concluded that a high proportion of the outcomes were attributable to the projects themselves, rather than other factors.

5.39 A follow-up survey was conducted with these same clients in July/August 2003, although this evaluation only used 362 of the clients. This ensured that the evaluation was comparing like with like and genuinely tracking the same groups of individuals. It focused particularly on what actions they had taken since they were last interviewed 6 months ago. It appeared that:

- 65% had applied for a job and 50% had started a new job
- 44% had applied for training or education courses and 4% had started or completed a course
- 25% had looked into financial support and 14% had been successful
• 9% had reported no outcome.

5.40 The follow up survey revealed that those in employment increased to 72% from 43%, in training or education to 20% from 8% and unemployed from 50% to 16%. This therefore suggest that there has been a significant shift from unemployment, in some cases through education and training, into employment, and this shift has continued over the course of these surveys.

Inclusiveness projects
5.41 The Inclusiveness projects were established in response to recommendations of the Beattie Committee, which was established in April 1998 to review the needs and provision of services for young people with additional support needs. The Committee identified the lack of a ‘joined-up’ response to meeting the transitional needs of this group of young people. The Scottish Executive Enterprise and Lifelong Learning Department (SEELLD) allocated £15m over the period April 2001-2004 to implement a programme of Inclusiveness projects in each of the 17 Careers Service Company areas.

5.42 Inclusiveness funding led to the development of the Key Worker service across Scotland and the management of the projects was taken over by Careers Scotland in April 2002.

5.43 The interim project evaluation indicated that the following outcomes had been achieved:

• The development of local partnership networks aimed at improving service provision for young people who would otherwise have been at significant risk of ‘falling through the gaps’ in the existing agency infrastructure
• The development of a wide range of tools, systems and products designed to assist young people making the transition from school or care
• A sharper focus on employability within existing services.

5.44 Data available showed that 7,611 clients of Inclusiveness projects achieved educational, training and employment outcomes during the first year of the projects’ life. However, it is not known to what extent these outcomes may be attributed to the work of the Inclusiveness projects, since no baseline data were available. In addition, information was gathered in relation to client
interventions. Therefore if a client accessed more than one service, they might be counted more than once. To overcome this problem, greater efforts were being made to track individuals over time and to assess the extent to which employment was sustained. As we noted earlier, the problem of collecting robust outcome data, and checking findings against other available measures, is a recurring problem for employment and vocational rehabilitation projects. At the time of writing, Careers Scotland was implementing the interim evaluation recommendations and awaiting the outcomes of the final evaluation.

5.45 In order to improve the employment outcomes of young people with additional support needs, a scoping study of the applicability of the learning disabilities supported employment model, adapted for use with clients with other barriers to employment, was conducted on the 7 pilot projects managed by Careers Scotland and funded by the Scottish Executive Enterprise, Transport and Lifelong Learning Department. Enable worked with Careers Scotland in a capacity raising role in support of these pilots. Supported employment was seen as a useful model to use, since it bypassed the idea that a client had to achieve ‘job readiness’ before commencing work. Rather, competence in the workplace might be achieved by doing a real job for which a real wage was paid. Support might be provided either by a job coach or through natural support in the workplace. As noted by Riddell et al (1999), US proponents of supported employment have claimed major financial and social benefits from participating in supported employment. However, such gains have not been reported by UK studies (Beyer et al, 1996), and it is possible that the supported employment pilots for young people did not take account of the more modest gains reported by UK researchers. In addition, UK studies have never achieved the success of their US counterparts in engaging large numbers of disabled people in supported employment. A possible reason for this is that US programmes have included individuals of higher ability in their supported employment programmes, whereas in the UK participants tend to be those at greatest distance from the labour market (Riddell et al, 2001). Early findings from the pilot supported employment projects suggested that the number of clients in supported employment placements fell far short of the initial targets.
Communities Scotland, adult literacy and employability

5.46 A literature review published by the Scottish Executive in 2001 (Scottish Executive, 2001b) identified low levels of literacy and numeracy as both a symptom and cause of poverty and exclusion. Actions to tackle literacy problems, it was argued, should be set in the wider context of anti-poverty strategy. Interventions needed to be targeted at individuals and families rather than neighbourhoods, although problems of low levels of literacy were much greater in some areas. Employment provides people with learning opportunities, so people who are workless miss out on important opportunities for work-based learning. At the same time, people in entry-level jobs require literacy and numeracy skills to progress in their careers, therefore they too should be included in adult basic education programmes. The report argued that people are much more likely to develop good literacy skills if they acquire these at an early age, so early intervention is of vital importance. Finally, the benefits of improved levels of literacy are reflected in higher earnings and in enhanced quality of life and active citizenship.

5.47 JobCentre Plus also introduced Basic Skills screening to encourage people to participate in independent assessment and to access literacy and numeracy help. Good relationships exist between JobCentre Plus and Communities Scotland.

The effectiveness of forms of employment support

5.48 In recent years, the UK and Scottish governments have argued strongly that they want policy to be ‘evidence-based’. In relation to employment programmes, the Treasury has maintained that there is a need to have hard evidence on ‘what works’ using, if possible, Randomised Controlled Trial (RCT) methodology, before strategies are developed and funds committed. Floyd et al (2004 forthcoming) described this trend as commendable, but note its possible weaknesses. In relation to disabled people, they argue that there is a need not just to look at hard outcomes for an undifferentiated group, but to analyse differences between men and women of different ages, skill levels and impairments. It is essential to develop understanding of what works for whom in what circumstances, so that theoretical rather than purely descriptive accounts may be postulated.
5.49 In the field of employment support and vocational rehabilitation, there is very little robust evidence of effectiveness. Some have questioned the effectiveness of employment support measures, maintaining that work-incentive measures built into the benefits system are likely to be much more effective in reducing rates of non-employment. Bloch and Prins (2001), for example, looked at factors affecting the return to work of people with lower back pain in six countries, including the USA. They found that medical and vocational rehabilitation measures were not very influential, but that benefits systems were. If a national benefits system encouraged people to remain on benefits by discouraging work trials, then it was likely that large numbers of low-skilled workers would move onto such benefits and would be discouraged from re-entering the labour market for fear that this would jeopardise their future benefits status.

5.50 There have been conflicting findings in relation to the effectiveness of particular types of support, such as supported employment. The enthusiasm of US researchers tends not to be matched by those in the UK. Recent work by Weston (2002) drew attention to the fact that people with complex needs rarely get included in supported employment programmes despite the rhetoric of universal participation. In addition, Ridley (2001) noted that the criteria used to judge effectiveness may differ between service providers and participants. In her study, people with learning disabilities undertaking supported employment placements felt that financial benefits were the most important, whereas practitioners believed that the opportunity to widen social networks was the most salient feature of supported employment.

5.51 In the light of the expansion of employment support for groups at the margins of the labour market, there is clearly a need for a greater focus on programme effectiveness. Considerable sums of money, for example, are being ploughed into the development of social firms and supported employment in Scotland, and it is necessary that close attention is paid to identifying the costs and benefits of programmes for particular groups in particular circumstances. Attention needs to be paid to rates of employment, economic inactivity and the tracking of individuals over time in order to avoid the over-estimation of successful outcomes.
Conclusions

5.52 This chapter has explored measures and initiatives to assist disabled people into employment in Scotland. The main findings of the chapter are:

- It is evident that at national and local level, there is a need to focus not just on those who are unemployed, but also those who are economically inactive. As noted earlier, people on incapacity benefit are by far the largest component of the economically inactive group, but some programmes do not explicitly acknowledge disabled people as their principal target.

- There is considerable overlap in the programmes developed by organisations in Scotland concerned with employment and employability. For example, 7 supported employment pilots are currently being managed and delivered by Inclusiveness projects managed by Careers Scotland, the New Futures Fund projects and the projects being developed by Glasgow’s Employment Planning Group. Adult guidance is being offered by the All Age Guidance projects managed by career Scotland as well as the New Futures Fund projects. Adult literacy projects are being sponsored by Communities Scotland and the New Futures Fund. To ensure that programmes complement rather than duplicate each other, there is a need for better interface between different agencies.

- There is some degree of tension between pilot projects, which are intended to experiment with novel approaches, and more established projects. Many pilot projects are not well articulated with existing programmes managed by Local Enterprise Companies, such as Skillseekers, Modern Apprenticeships, Get Ready for Work and Training for Work. As the end of the pilot phase approaches, projects have to consider how they are to secure mainstream funding to ensure their long-term survival and problems are likely to arise if they have not worked out their position in relation to established programmes from the start.

- Whilst Scottish projects are not always well-connected, there is even poorer articulation with JCP programmes, leading to unnecessary duplication of effort. It may also mean that a number of agencies are seeking to recruit personal advisers or key-workers at the same time, leading to recruitment difficulties noted in evidence to the House of Commons Work and Pensions Committee (House of Commons, 2003a). The DWP Employment
Programmes review and the streamlining of the New Deals should produce a more flexible customer focused range of services.

- There is confusion about how decisions should be made on future funding priorities. This hinges on the issue of how project outcomes should be measured and interpreted. A focus on hard outcomes, in particular employment, may lead to cherry-picking of clients and the exclusion of those furthest from the labour market. On the other hand, a focus on employability may fail to convince government funders that measurable benefits are being derived from the money invested. Many projects and programmes, including those managed by the LECs, have failed to gather outcome data and publish it in accessible format. Furthermore, JCP evaluations, which have employed robust methodologies, have not disaggregated Scottish data. In addition, the use of aggregated data means that the progress of individuals over time cannot be measured. Overall, very little is known about the relative effectiveness of different projects and programmes and this is an area which needs further attention.

- Whilst employment programmes are undoubtedly providing helpful support for many disabled people, there are a number of social justice concerns: disabled people have no entitlements to employment services or any right of appeal if denied access; limited budgets lead to rationing of services; there is no firm evidence on the extent to which disabled people are able to access other New Deal programmes (including the voluntary New Deal for Lone Parents and the mandatory New Deal for unemployed 18-24 year olds and long-term unemployed over-25 year olds); performance targets and funding regimes lead to unequal access, disadvantaging people less ready to take up paid work (this is the case in relation to the Job Broker programme and, increasingly, Work Preparation and WORKSTEP) which future programme developments clearly need to take account of.

5.53 Chapter 6 will now look at the experiences of specific groups of disabled people.
CHAPTER 6: EXPERIENCES OF SPECIFIC GROUPS:
Policies, Programmes and Outcomes

INTRODUCTION

6.1 This chapter examines the experiences of specific groups of disabled people in employment and training programmes because rates of participation and barriers vary greatly by impairment. Whilst some programmes are generic, others are geared towards the needs of particular groups. Providers also tend to work extensively, but not exclusively, with impairment-specific groups. People with learning disabilities, people with mental health problems, people with chronic illnesses, people with sensory impairments, disabled young people, disabled students and graduates, older disabled workers and disabled parents are all considered. The chapter also considers employment and multiple disadvantage and looks at disabled people’s and employers’ perspectives.

People with learning disabilities

6.2 People with learning disabilities tend to be socially and economically marginalized, with very low rates of participation in employment. The Summer 2002 Labour Force Survey showed that people with learning disabilities had the second lowest employment rate of any impairment group (24%). People with mental health problems had the lowest employment rates, and the DRC has prioritised these two groups in its campaigns to ensure the implementation of the DDA. Learning disability strategies were produced by the Department of Health (DoH, 2001) and the Scottish Executive (2000a), and implementation strategies were developed to ensure that ongoing monitoring took place.

6.3 The Scottish Learning Disabilities Strategy *The Same as You?* (Scottish Executive, 2000b) drew attention to the considerable costs to local authorities of maintaining people in day centres (about £53 million a year). The number of people going to such centres grew from 4,400 in 1980 to 8,300 in 1998, at a cost of about £7,000 a place. In addition, in March 1998, hospitals had 270 day places for 489 people at a cost of £2 million. People in day centres tended to spend their time on leisure and development activities within the centre; 20% of activities in day centres involved education and employment, whereas 25% involved work-
focused activities. Only 7% of people in day centres had paid work. Overall, day centres were criticised for not extending and developing individuals sufficiently, but it was also noted that carers were concerned about the withdrawal of day centre services, since they were necessary to enable other members of the household to engage in education or employment.

6.4 A key recommendation of *The Same as You?* was that local authorities should put much more energy into developing employment opportunities for people with learning disabilities. The report noted that this could be cost effective; the cost of a day centre place (£7,000 per annum) was compared with the cost of training and employment support. For example, a Training for Work place, funded by Scottish Enterprise, cost £3,200 and a place on the WORKSTEP programme, funded by the Department for Work and Pensions, cost up to £4,760. *The Same As You?* noted that the benefits system often acted as a deterrent for people attempting to progress into employment, and suggested a more flexible approach to enable people to try out work without jeopardising their future benefits status.

6.5 It was recommended that a number of structures and mechanisms should be put in place to oversee the implementation of the strategy. Local authorities and health boards were advised to establish partnership in practice agreements by 1<sup>st</sup> June 2001 and to appoint local area co-ordinators to integrate health and social care services for people with learning disabilities. It was also recommended that everyone with a learning disability should be able to have a personal life plan and that a national change fund should be established to underpin the shifting focus of services, and a national centre for learning disabilities should be established (the Scottish Consortium for Learning Disabilities).

6.6 A national short-life working group on employment was set up, and in 2003 its report *Working for a Change?* (Scottish Executive, 2003d) was published. The report focused on the changes needed to lower the barriers for people with learning disabilities entering employment, which included a fairer and simpler tax and benefits system, the promotion of non-discrimination and equality, inclusive employment practices and individualised person-centred support. The fragility of supported employment services was highlighted and the difficulties encountered by people with learning disabilities in accessing
Jobcentre Plus support were noted. It was recommended that Jobcentre Plus should make much greater efforts to engage with people with learning disabilities, and that supported employment services should forge stronger links with JCP. However, as noted in Chapter 5, the thrust of many JCP programmes for disabled people is to target those who are closest to the labour market and who can therefore be moved into employment with the shortest and least costly intervention. It was also recommended that Careers Scotland should be much more pro-active in including people with learning disabilities in its mainstream provision.

6.7 The question of which government department should take lead responsibility for people with learning disabilities was considered. It was recognised that the Scottish Health and Education Departments have responsibilities in this area, but ultimately the Scottish Department of Enterprise, Transport and Lifelong Learning should be the lead agency, since employment rather than health and welfare was the major issue. The need for much better liaison with the Department for Work and Pensions was also indicated.

6.8 In 2004, the Scottish Executive published a Statistics Release summarising progress in relation to the recommendations of The Same as You?. A breakdown was provided of the number of adults experiencing different types of employment opportunities (see table 6.1):

<table>
<thead>
<tr>
<th>Employment type</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary work</td>
<td>487</td>
<td>492</td>
<td>979</td>
</tr>
<tr>
<td>Non-open employment</td>
<td>455</td>
<td>319</td>
<td>774</td>
</tr>
<tr>
<td>Open employment</td>
<td>467</td>
<td>273</td>
<td>740</td>
</tr>
</tbody>
</table>

Source: Scottish Executive 2004c

6.9 Overall, 2,493 adults with learning disabilities known to local authorities are participating in some type of employment, representing 7% of the total. This is exactly the same proportion as that reported in The Same as You?. In addition, only 4% are involved in some form of open employment (which of course may be one or two hours a week). The statistical release concludes that all local authorities are making progress towards implementing the
strategy’s recommendations, although on the face of it progress appears to have been quite slow, particularly in relation to the appointment of local area co-ordinators and the expansion of open employment participation.

6.10 There is a growing body of research on the experiences of people with learning disabilities in Scotland. Findings from the study *The Meaning of the Learning Society for People with Learning Difficulties* (Riddell et al, 2001; Wilson, 2003) illustrated the way in which services for people with learning disabilities often had the effect of constraining them in ‘special’ rather than mainstream services. Only a small number of people attained mainstream employment and their position was tenuous, as employers sought the most effective and efficient workers. The ethos of supported employment agencies tended to reflect the principles of normalisation, maintaining that people with learning disabilities are able to do ‘the same’ work as others. The need for reasonable adjustments to regular jobs was under-played because of fears that employers would be reluctant to take people with learning disabilities if they were going to be required to adjust established working practices.

6.11 Gooding (2005 forthcoming) noted that the number of people with severe learning disabilities (as opposed to dyslexia) bringing employment cases to tribunal under the DDA was low (only 16 cases in total). Cases involved bullying, name-calling, sexual harassment and physical assault. Three cases related to discrimination in recruitment, and a number were brought with regard to failure to make reasonable adjustment. One woman working as an egg packer, for example, was dismissed on the grounds that she required ‘too much training’. Overall, the analysis by Gooding (2005 forthcoming) and Riddell et al (2001) suggested that many of those involved in supporting people with learning disabilities into employment did not consider the application of the DDA. In addition, as noted in Chapter 2, the DDA has proved less successful in relation to recruitment cases. This is likely to pose particular problems for people with learning disabilities, who might require adjustments to recruitment procedures such as a trial period in a job rather than an interview.

6.12 Finally, supported employment, which developed in the US to meet the needs of people with learning disabilities, is now being used to support many other groups, including young people with
additional support needs. However, policy shifts towards the use of supported employment are not based on strong empirical data gathered in the Scottish context. Extremely optimistic assessments of supported employment based on US studies are assumed to be transferable to Scotland, although the group of people in the US identified as having learning disabilities (12% of the population according to some estimates) is much broader than the Scottish estimate (0.4% of the population are known to have learning disabilities by local authorities). Some research conducted in the UK has raised questions about the costs and benefits of supported employment. For example, Shearn et al (2000) investigated the costs and benefits of supporting seven people with severe learning disabilities in the Special Needs Unit (SNU) of a day centre with the costs of supporting a comparator group in employment. The financial costs of staff time were considerably higher for those in the employment group. People in the SNU had greater opportunities for social contact, whereas people in the work setting received more contact from people other than paid staff (although the quality of this contact is not described). Such findings suggest that better quality information is needed on the experiences and outcomes of people with learning disabilities undertaking open employment, non-open-employment and voluntary work.

People with mental health problems

6.13 People with mental health problems have the lowest employment rate of any impairment group (only 21 per cent are in employment). Relative to their participation in employment, they are more likely to bring cases to tribunal under the DDA and are less likely to be successful than other groups. People with mental health problems represent about a third of all new incapacity benefit claimants (see Chapter 2), and one in five days of certified work incapacity are due to mental health problems. For all these reasons, supporting people with mental health problems to obtain and retain employment, and making workplaces less stressful for all, is seen as a priority for the UK and Scottish Governments and the DRC.

6.14 The Mental Health Framework for Scotland was published in 1997 and identified employment as of major importance for people with mental health problems. However, according to Durie (1999), it did not provide enough guidance to health and social
services with regard to the restructuring of services to increase their focus on employment. The Scottish Development Centre (2001) argued, on the basis of the figures in Table 6.2 below, that there continued to be a major shortfall between the number of jobless people with mental health problems in Scotland who would be capable of working and the training and employment services available. It should be noted that the Pathways to Work pilot projects, which are testing the effectiveness of employment and health interventions to helping people on incapacity benefits return to the labour market, are particularly targeted at people with mental health problems.

### Table 6.2: Estimated level of places in Scotland for people with mental health problems

<table>
<thead>
<tr>
<th>Service</th>
<th>Places</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mainstream Employment Service (JCP) work preparation programmes</td>
<td>3,000</td>
</tr>
<tr>
<td>Supported Employment (now WORKSTEP)</td>
<td>150</td>
</tr>
<tr>
<td>Social firms and social enterprises</td>
<td>100</td>
</tr>
<tr>
<td>Training, guidance and employment support</td>
<td>1,200</td>
</tr>
<tr>
<td>Supported education and training</td>
<td>300</td>
</tr>
<tr>
<td>Clubhouses</td>
<td>150</td>
</tr>
<tr>
<td>LEC schemes</td>
<td>350</td>
</tr>
<tr>
<td>Day hospitals and day care services providing work opportunities</td>
<td>3,000</td>
</tr>
<tr>
<td>Total estimated training and employment activities in Scotland</td>
<td>8,250</td>
</tr>
<tr>
<td>Estimated number of people with mental health problems who are capable of work</td>
<td>117,000</td>
</tr>
</tbody>
</table>

Source: Pathways to Work Summary Report, Scottish Development Centre, February 2001

6.15 In Scotland, a probable link between lack of employment and increased risk of suicide has been demonstrated (Platt and Kreitmann, 1984) and UK studies have demonstrated the connection between lack of work and deteriorating mental health (Warr, 1987). At the same time, it is evident that many people develop mental health problems whilst in work and leave employment as a result. Few incapacity benefit claimants make the transition back into employment and Secker et al (2001) noted the difficulties experienced by people with mental health problems throughout the UK in accessing employment support services.

6.16 In the field of mental health and employment, there is a growing body of work seeking to identify which interventions
work best for which groups. Comparisons have been made between the effectiveness of pre-vocational training and supported employment for this group. Crowther et al (2001) conducted a systematic review of evaluations of pre-vocational training and supported employment services in the US and concluded that supported employment was more effective than pre-vocational training in helping people to obtain and retain employment. However, the problem of different definitions of supported employment and pre-vocational training was highlighted. The incapacity benefit pilots are also attempting to identify the best approaches to job rehabilitation for people with mental health problems. Given the growing interest in social firms in Scotland, there is a need for an evaluation of this approach in comparison with other forms of employment support.

6.17 Secker et al (2002) explored the implicit models of recovery from mental illness exemplified in five supported employment projects. One project was based on a clinical model of recovery, so that at a certain point clients were passed from mental health professionals to employment support workers, with the roles of the two practitioner groups insulated from each other. Another project worked on the assumption that engaging in supported employment was part of the recovery process, so that people needed help with mental health problems in addition to employment support. Unfortunately, the mental health professionals had withdrawn before the client began to work, so that the employment workers had to provide support in relation to the new job and the client’s mental health and psychological issues. Secker and colleagues argued that the clinical model of recovery, which attributes entirely different roles to mental health and employment professionals, is unhelpful. The social model of recovery, on the other hand, recognises that the reclaiming of social and employment identities is intrinsically linked to clinical recovery. Much closer working is needed between mental health and employment professionals to ensure ongoing support and better outcomes for those who experience mental health problems.

6.18 Secker and Membrey (2003) examined ways in which employers could facilitate the transition or return to work by people with mental health problems. Drawing on the accounts of 17 employment project clients, Secker and Membrey suggested that flexibility in working hours, work schedules and job tasks was critical. In addition, there were a number of ‘natural supports’
which would arguably benefit all employees. These included adequate training and support to learn the job and a focus on supportive interpersonal relationships at work, workplace culture and approaches to staff management. The Scottish Executive has also commissioned work to examine employees’ perspectives and inform the development of the mental health agenda in Scottish workplaces (McCollam et al, 2003). Focus groups were used with employees with and without mental health problems in a range of workplaces. However, difficulties were encountered in running the groups as a result of lack of co-operation and interest by managers, HR staff and employees. The following findings emerged:

- According to employees, mental health and well-being in the workplace hinged on good work relationships, a manageable workload and a good work/life balance.
- There was some scepticism about stress policies or counselling services, because these were not helpful if the general culture did not support mental health in the first place.
- Many mental health problems at work went un-noticed until they reached crisis point. A positive work culture was likely to support workers in disclosing a mental health problem.
- A whole-organisation approach was required in order to improve mental health and well-being.

6.19 Finally, the Scottish Executive commissioned Social Firms Scotland to undertake research into the experiences of people with mental health problems moving into work. Key findings from the Mind the Gap project (Robbie and Presland, 2003) were published as a briefing paper. The following four key areas were identified:

- Stigma and discrimination
- Joined-up approaches
- Service provision
- The Benefits System.

6.20 With regard to tackling stigma and discrimination, the Scottish Executive advertising campaign See Me was seen as highly effective and follow-up work was recommended. In addition, it was argued that pump-priming of service provision linked to the Transitional/Intermediate/Alternative Labour Market was required. Transitional Labour Market approaches, which include
social firms and jobclubs, are based on the assumption that some people need additional support to become job ready, or may require long-term support to sustain employment. Most Jobcentre Plus programmes (with the exception of WORKSTEP) are geared towards the attainment of mainstream employment in a relatively short period of time. Such approaches may exclude people with enduring mental health problems, whose conditions may fluctuate. Robbie and Pressland recommended that the UK and Scottish governments should take the following actions:

- Develop a New Deal (Mental Health) programme geared towards the needs of people with mental health problems, given their low employment rates.
- Fund specially targeted WORKSTEP programmes such as WORKSTEP (Social Firms) and WORKSTEP (ILMs).
- Increase substantially the Mental Illness Specific Grant and encourage local authorities to contract with social economy organisations which are developing new models of employment provision such as social firms, enterprise projects, transitional employment schemes and clubhouses.
- Extend the New Futures Fund Initiative by funding an NFFI (Mental Health) to give greater support to young people with mental health problems and prepare people to enter other New Deal programmes.
- Transform existing day care and sheltered work provision into new models of support provided by external organisations, often operating with the social economy.

**People with chronic illnesses/progressive conditions**

6.21 Studies conducted by researchers at the Strathclyde Centre for Disability Research, University of Glasgow, have explored the employment experiences of people with a range of chronic illnesses and progressive conditions, for example, Banks and Pearson (2002) investigated the experiences of young stroke survivors (i.e. people in the 18-49 age group). In the UK, stroke is the largest killer after cancer and heart disease, and the largest single cause of disability. Mortality from stroke in the younger age groups (but not amongst older people) is strongly correlated with level of deprivation. In Figure 6.1, area disadvantage was calculated using the Carstairs Index of Deprivation, with 1 being the least deprived and 7 the most deprived.
6.22 Fifty people participated in the study, and each was interviewed 3-6 months after discharge from hospital and 6-9 months later. Banks and Pearson reported that approximately one third of those who had been working prior to the stroke returned to work during the course of the study. Where young stroke survivors had returned to work, employers appeared to be supportive initially. However, there was little understanding of the difficulties stroke survivors were likely to experience (tiredness, problems with concentration and memory) and employers were reluctant to make adjustments to hours of work or to the content of the job. One participant was supported by the voluntary organisation Rehab Scotland (now Momentum) which helped him regain skills and confidence and liaised with the employer to identify required adjustments. This support had a positive impact on his return to work, but was not widely available.

6.23 Carers and relatives were also affected by the experience of the stroke. During the course of the study, two thirds of those who had been working prior to the stroke had returned to work. One had reduced her hours of work, two were still on sick leave and three had left work to become full-time carers. All those who did not return to work were women. As a result of their withdrawal from employment, some families experienced a sudden drop in
income, including a period of time when some, particularly those who were self-employed, had no income at all.

6.24 Further studies were conducted with people with muscle disorders (Banks, Edson and Petty, 2003) and people with Parkinson's Disease (Banks and Lawrence, 2003). These studies also found that the onset of disease resulted in rapid withdrawal from the labour market for many people.

**People with sensory impairments**

6.25 Very little Scottish research has been conducted on the employment rates and experiences of Deaf people or people with visual impairment in Scotland. Research in relation to Deaf people in employment in the USA (Belknap et al, 1995), argued that vocational rehabilitation services tended to focus on preparing clients for work and finding them a placement. However, little in-work support was available, leading to low rates of job retention. In the light of the similar experiences of people with learning disabilities and mental health problems, this is also likely to be the case for Deaf people in employment.

6.26 A report by the RNIB (RNIB, 2002) noted that blind and partially sighted people have low rates of employment (only 25% are in work, the same proportion as that found in the US). In the *Work Matters* report, the RNIB argued that the needs of four discrete target groups should be considered:

- Young people entering the labour market
- People in work who are losing their sight
- Unemployed people, particularly those who are medium or long-term unemployed
- Blind and partially sighted people with additional disabilities.

6.27 The RNIB was in the process of restructuring its direct services to blind and partially sighted people to assist them in gaining or retaining employment with a view to creating:

- A retention service designed to bring together the support required by employers and employees to enable those losing their sight at work to remain in employment
• A supported employment agency designed to bring long-term unemployed people with sight difficulties into the labour market
• A work experience service, so that blind and partially sighted people are not excluded from employment due to a lack of work experience.

6.28 US research has noted that a considerable amount of support may be necessary, particularly in the early stages, to help people get to work and negotiate round their workplace. Other required changes include altering public attitudes, ensuring access to information through IT and upgrading the skills of professionals.

6.29 The Access to Work programme may be particularly helpful to people with sensory impairments to obtain the in-work support required, such as sign language interpretation and an employment assistant. The difficulties in obtaining Access to Work were highlighted in Chapter 5. It should also be borne in mind that people with sensory impairments may also have other difficulties. The majority of children and young people with visual impairments, for example, also have learning difficulties, and are therefore likely to face multiple barriers to employment.

6.30 It is evident that lobbies are tending to cluster around different impairment groups and promote particular types of provision. Advocates of employment for people with learning disabilities and people with mental health problems advocate supported employment and Transitional Labour Market approaches, whilst the extension of Access to Work is seen as particularly helpful for people with visual impairments. There is clearly a danger that each impairment group may promote the interests of its own members and argue for distinctive provision, rather than seeking to transform mainstream provision so that it meets the needs of all.

Disabled young people

6.31 As noted by Stalker (2002) in a review commissioned by the Joseph Rowntree Fundation, about 12% of the adult population of Scotland is aged 16-24, and of these about 9% have a long-standing illness, health problem or disability (Scottish Executive 2001c). Data on the number of young disabled people entering FE was collected for the first time in 2002. About 5% of students in higher education in Scotland have reported a disability. Figures are not available on the destinations of disabled young people
leaving mainstream schools in Scotland. Stalker (2002) reported that, in 2000-01, out of 700 pupils leaving special schools in Scotland, 45% entered full-time further education, 14% training, 8% employment, less than 1% university, 26% went to ‘other’ destinations and 7% were unknown. ‘Other’ destinations include day centres and, in some cases, no formal provision.

6.32 Over recent years, greater attention has been focused on the transitional experiences of disabled young people as they move from school into the early adult phase of life. As we noted earlier in the review, the Beattie Committee (Scottish Executive, 1999b) focused on the transitional experiences of young people with additional support needs, which includes disabled young people. The report argued strongly for an approach based on inclusiveness, with much more joined-up working across agencies. It was suggested that every young person with additional support needs should have access to a key worker to co-ordinate services and advise on future directions. As described earlier, seventeen multi-agency inclusiveness projects were set up, which were managed by Careers Scotland after 2002. Not all include young people with disabilities, since the definition of additional support needs embraces such a wide spectrum, including young care-leavers and people with addictions.

6.33 Research on the experiences of young people with learning disabilities in transition (Riddell et al, 2001; Baron et al, 1999) found that they were generally excluded from mainstream pathways. In further education, students on ‘extension’ courses had very little to do with the other students, often using different classrooms and taking breaks at different times. In this way, further education was much less inclusive than mainstream schools, where disabled students would be expected to spend at least part of each day with their peers. Very little provision in further education catered for young people with multiple or complex disabilities, and the ability to travel independently was used as one of the criteria governing admissions. Part 4 of the DDA, which came into force in September 2002, places a duty on responsible bodies to make reasonable adjustments, and further research is needed to explore whether disabled students’ experiences of further and higher education have improved as a result. For example, for some young people, transport to college may be problematic and there is a need to know whether matters have improved as a result of the DDA.
6.34 As noted earlier, further possibilities for autonomy may be provided through the use of Direct Payments. Direct Payments were extended to 16 and 17 year olds through the Regulation of Care (Scotland) Act 2001. The Community Care and Health (Scotland) Act 2002, placed a duty on local authorities to make Direct Payments available to 16 and 17 year olds by 2003. These funds could be used to pay for transport to or support at college, place of work or training and research on the future use of Direct Payments is needed.

Disabled students & graduates

6.35 Whilst many disabled young people experience great difficulty in accessing the labour market, disabled students and graduates provide a counter-example of a group who have managed to access the most selective part of the education system. Riddell et al (2003) reported on a project which investigated rates of participation, institutional policies and students’ experiences.

6.36 The final report of the study noted that higher education has been through a period of great change, with reductions in funding, increased workloads brought about through a huge expansion in the student population and greater accountability through the Research Assessment Exercise and the requirements of Quality Assurance Agency. In this changing context, institutions have been under pressure, through the publication of performance indicators, the introduction of premium funding (in HE) and the introduction of DDA Part IV, to widen access to under-represented groups and to develop policy and provision for disabled students.

6.37 In spite of this demanding context, there were definite signs of progress in provision for disabled students. Most institutions had a designated disability officer and a senior manager with responsibility for disability issues. Where they did not fully meet criteria for base-level provision, significant numbers reported ‘partially meeting’ them. Few could claim to be prepared in advance for disabled students, but there were signs of movement away from the reactive end of the continuum. Disabled students had been written into policies on admissions, assessments, estates and buildings and into some strategic plans. Most institutions had definite written plans for further development.
6.38 While all of these signs of progress were encouraging, there were many areas requiring further development such as teaching and learning, monitoring and evaluation and staff development. Teaching and learning in particular remained an area of concern, with respondents stating that the kind of culture change required to really make a difference would take a long time to achieve.

6.39 In general, disabled students were more likely to be white, male and to have come from the more advantaged end of the social class spectrum. The social class profile of disabled students in the elite pre-92 universities matched that of non-disabled students.

6.40 Analysis of student experience indicated that many disabled students were isolated and lacked the social networks in which much informal learning takes place. They struggled to persuade often reluctant staff to make reasonable adjustments. The culture of some institutions and subject areas was particularly hostile, with staff expressing fears over the erosion of standards as a result of the requirement to accommodate disabled students. The label ‘disabled’, which students must adopt to qualify for the Disabled Students Allowance and the protection of the DDA, did not sit easily with many students’ self concept. This may prove a barrier to the effectiveness of equality legislation in this area in the future.

6.41 A HEFCE funded project (Evans and Farrar, 2003) has begun to explore the outcomes of disabled graduates in the labour market using HESA first destination survey data. The findings of the destination survey in 2002, which looks at outcomes six months after graduation, found that 48.4% of disabled graduates with a first degree and 53.4% of non-disabled graduates were in full-time employment. Disabled graduates were more likely to be employed in clerical and secretarial, craft, personal services and sales jobs, as well as in part-time and unpaid work. They were less likely to be embarking on careers in health and education. Further work is needed to explore the fortunes of disabled graduates as their careers develop. Evidence suggests that significant differences between disabled and non-disabled graduates exist, but nonetheless this group is performing markedly better than disabled non-graduates.
**Older disabled workers**

6.42 In the past three decades, at a time when the general health of the population has improved, the employment rate of people over 50 has fallen, in particular that of older men. Recently, there has been a slight increase in the employment rate of the over-50s, but it has not returned to 1970s levels. There is concern about the employment rates of older workers, particularly in the context of the falling birth rate and the new European Directives which outlaw age discrimination. Research was commissioned by the DWP (Humphrey et al, 2003) to investigate factors affecting labour market participation of older workers. The research, which surveyed 2,800 people aged 50 to 69, revealed some interesting linkages between older workers’ self-perceptions relating to disability and retirement status.

6.43 Among people of working age who were not in employment, there were three sub-groups:

- Those who were not seeking work due to ill-health (50%)
- Those not seeking work because they were retired
- Those not seeking work because they were looking after the home or family (12%).

6.44 The first group were predominantly male and living off benefits. They were more likely to be single, have no qualifications and be younger. Those who were retired or financially secure had above average incomes derived from private pension plans and other assets. The final group was predominantly female, more than half were carers and the majority had a partner.

6.45 The researchers found that people redefined their status as they moved past the State Pension Age. A quarter of men aged 60-64 described themselves as retired, compared with 90% of men aged 65-69. Conversely, 27% of men aged 60-64 described themselves as long-term sick or disabled, compared with 1% of men aged 65-69. The same pattern held true for women. In general, people’s health gets worse as they get older, therefore, the researchers concluded, it would appear that administrative categories such as a fixed State Pension Age have a marked impact on personal definitions of status.
White and Loretto (2004) conducted a study for Scottish Enterprise on the employability of older workers. Focus groups were held with employers, employees, and benefits claimants in four areas of Scotland. The study found that older workers were stereotyped as being more reliable or more rigid than younger workers. It was believed that employers were reluctant to invest in the training of the over-50s and assumed they would not be interested in career progression. People on benefits, including incapacity benefits, who had been out of work for some time, encountered enormous difficulties in persuading employers to take them on and were often bitter about the discrimination they encountered. Both the studies of older workers described above underlie the strong links between age and disability, however Priestley (2002) commented on older people’s reluctance to see themselves as disabled, and the preference of the disability movement to represent itself through images of young and active disabled people.

Disabled parents and employment

In line with the goal of reducing and eventually eliminating child poverty, the DWP organised a seminar in November 2003 to consider disability and ill health among parents and its impact on families’ employment prospects. Labour Force Survey data show that employment rates amongst couples with children and lone parents are significantly reduced if they report limiting health conditions. One third of non-employed lone parents and two thirds of non-employed couples with children reported a disability or long-term limiting illness. As a result, children growing up in families with a disabled parent are particularly likely to experience poverty (defined as less than 60% of the median wage).

Key points emerging from the report of the seminar (DWP, 2003) were the following:

- The overlap between disability and parenthood should be recognised at policy level, so that programmes are not geared simply at disabled people, parents or children living in poverty.
- Disability is strongly associated with other forms of social disadvantage, therefore mainstream programmes should always consider the needs of disabled people.
- The well-being of children should be considered explicitly. The Independent Living Fund and local authority social services often
refuse to provide support for adults in connection with their parenting activities. Similarly, programmes such as Sure Start may fail to provide support to disabled parents.

- There was a proliferation of support schemes which were sometimes disconnected and which disabled parents found difficult to understand.
- Policies aimed at changing the attitudes and behaviour of disabled workers should be complemented by policies geared to changing employers’ attitudes.
- Incentives and tax credits need to consider the needs of disabled parents, and should be geared towards enabling people to move easily between benefits and work.
- Services were particularly important at points of transition (e.g. transitions into and out of disability, transitions to parenthood and transitions into and out of work).
- GPs and hospital doctors may be too ready to acquiesce to patients’ short-term expectations of being signed off work, at the expense of longer term rehabilitation prospects.
- More research is needed which looks at becoming disabled and moving into and out of work as longitudinal processes rather than steady state systems.

6.49 In addition to the new focus on the work and wider social experiences of disabled parents (Wates, 2002), research has also been conducted on the employment experiences of parents of disabled children (Kagan et al, 1998). Neither of these qualitative studies was conducted in Scotland, but clearly both have applicability to the Scottish context.

**Employment and multiple disadvantage**

6.50 Disability in relation to employment has sometimes been seen in uni-dimensional terms, but the evidence presented throughout this review makes clear that connections with a range of other variables, including social class, age, gender, ethnicity, parental status, need to be made. Burchardt (2003), on the basis of a major national survey, demonstrated that people on low income, who were often economically inactive, were more likely to become disabled, leading to further deterioration of their employment and financial status. Stanley and Regan (2003) noted that the New Deal programmes had been successful in lifting those closest to the labour market into employment, but had been much less
successful in relation to people in poverty facing multiple disadvantages.

6.51 Throughout this report, we have noted the interconnections of gender, age and disability with employment status. Older men in socially disadvantaged areas are more likely than other groups to be economically inactive. Whilst these patterns have been clearly demonstrated by statistical data, qualitative work is needed to develop a better understanding of people’s lived experiences and the types of intervention which are likely to be successful.

Absent voices: disabled people’s and employers’ perspectives

6.52 As noted above, whilst the evidence base needed to chart patterns of inequality has become more sophisticated over recent years, there continue to be large gaps in understanding of the daily practices which produce these inequalities. In particular, the voice of the disabled person is often absent. Sometimes, disabled people may hold a different world view from those of the social policy commentators who are well insulated from the difficulties experienced by those facing multiple disadvantages. For example, Heenan (2002) conducted a study of the Personal Adviser scheme operating in South Tyneside, which included a group interview with 14 disabled clients who had re-entered the labour market following participation in the New Deal for Disabled People. Participants were aged between 24 and 55 and had been out of work from 12 months to 18 years. Four personal advisers and a project manager were also interviewed. Heenan noted that social policy analysts tended to present an extremely negative view of the NDDP, seeing it as coercive, based on individual deficit thinking and inadequately resourced. Her study, however, suggested that the NDDP, despite its obvious shortcomings, had a predominantly positive effect on the lives of the study participants. As one individual commented, ‘It won’t change the world but it turned my life around’. The views of programme participants, Heenan concluded, should be given much greater weight in evaluating the impact of projects such as the Personal Adviser Scheme.

6.53 The views of disabled people who are negotiating careers in particular occupations also deserve further analysis. Existing accounts include French’s (2001) account of the working lives of visually impaired physiotherapists and Sapey’s (2005
forthcoming) and McLean’s (2003) studies of disabled people’s access to and experiences of social work. Roulstone and Gradwell (2002) investigated the strategies and support used by working disabled people to ‘survive and thrive’ in jobs. In general, we know very little about the experiences of disabled people in a wide range of professions including those where they are relatively well or under represented. Focusing on the fields where disabled people are doing well would go some way to challenge the prevailing negative discourse.

6.54 Finally, the views of employers are not well represented in the literature, although some research has tried to triangulate the views of employers and workers (see Wilson’s (2003) account of the experiences of people with learning difficulties in supported employment). Other research has begun to describe the nature of discrimination in job interviews (Duckett, 2000). In both the UK and Scotland, the hope is that employers will take on disabled people as a result of a sense of social obligation, and this appears to have worked reasonably well with some large employers such as Marks and Spencer who advertise themselves as an equal opportunities employer and work in partnership with Jobcentre Plus. There is some evidence to suggest that small to medium sized enterprises are more reluctant to take on disabled employees, and this is of particular concern in Scotland since most people are employed in SMEs. The recent changes to the DDA, which remove the exemptions on small employers, may go some way to improving the situation. However, for the legislation to work effectively we need to know more about why employers are reluctant to recruit and retain disabled employees and what actions by government are likely to be effective in ensuring more inclusive practices in the future. Some messages, based on principles of normalisation, may prove to be counter-productive. For example, it is often said that disabled employees have less time off than non-disabled workers. However, people with mental health problems make up the largest group of incapacity benefit claimants and have the lowest employment rate of any impairment group. As studies reported earlier show, some people with mental health problems may need long-term support and flexible working arrangements in order to be included in employment. The message, therefore, that disabled people are the same as, or indeed better than, non-disabled workers may be unhelpful if it leads to unrealistic expectations amongst employers. As has been argued by the social firms movement, recognising and respecting salient
differences, whilst avoiding stereotypes, may be a more helpful approach.

Conclusions

6.55 This chapter explored the policies and provisions which have developed with particular impairment groups in mind. The main findings of the chapter are:

- Impairment specific provision raises a number of issues and dilemmas. The disability movement has emphasised that disabled people should be seen collectively as a group subject to particular forms of discrimination and economic oppression. Developing policy in relation to a range of impairment groups may therefore undermine the political development of the disability movement, since the claims of one group for priority action may be pitted against another, assumptions may be made about the homogeneity of people within groups and some people may have no lobby group to speak for them. An alternative approach to making policy and provision for different groups on an impairment-specific basis is to transform mainstream services to accommodate everyone seeking assistance. However, tensions arise here in relation to JCP policy, which prioritises people closest to the labour market, and those promoting more inclusive policies, who argue that access to employment is a basic right which should be accorded to all regardless of the cost of support.

- There is a tension between whether particular groups of disabled people should be characterised as ‘the same as’ or ‘different from’ other disabled people and the wider group of non-disabled people. The supported employment movement, for example, has tended to argue that ‘learning disabilities’ is a social construction and people labelled as such can undertake the same work as others given some initial support which can fade out as natural supports take over. Proponents of the Transitional Labour Market, on the other hand, have tended to argue that some people with mental health problems require long-term support and different working conditions, and therefore mainstream employment is unlikely to be a valid option for many.

- The perspectives of disabled people and employers have been under-researched and there is a need for future research to focus on their perspectives.

- More information is needed about the destinations of young people with disabilities leaving mainstream education and on disabled
students’ experiences of further and higher education since the DDA places a duty on colleges to make reasonable adjustments. There is a need for more research on disabled people who have successfully completed a college course and those who have gone on to have successful employment experiences as much research on people with disabilities tends to be fairly negative in its focus.

6.56 Chapter 7, the final chapter of the report brings together the main findings of this review of research on disability and employment.
CHAPTER 7: CONCLUSION

INTRODUCTION

7.1 This concluding chapter begins by reviewing key findings from earlier chapters, identifying over-arching themes and considering their implications for the current state of knowledge in relation to disability and employment in Scotland. It then outlines areas where future research is needed and concludes by considering what the implications of this review are for some of the key stakeholders - the Scottish Executive and its agencies, the UK government and its agencies, disabled people and employers.

Summary of findings

Disability and employment: the UK context

• There is major concern about the growing number of people claiming incapacity benefits and the fact that the employment rate of disabled people has not greatly increased in a period of economic growth and stability and improved general health of the population: in GB, the employment rate of disabled people stands at about 50%, much lower than the employment rate of non-disabled people (80%); in Scotland, the employment rate of disabled people is only 39%.
• Disability appears to be a major factor determining the distribution of income and wealth: in GB, 28% of the bottom quintile of households include one or more disabled persons, compared with 15% of households with no disabled adults; for the top quintile of households, the proportions are reversed.
• Programmes to improve the employment rates of incapacity benefit claimants, particularly the New Deal for Disabled People, have had only a modest impact on reducing rates of economic inactivity.
• Positive measures to boost the civil rights of disabled people through the DDA have also had modest, rather than spectacular, success.

Disability and employment in Scotland: a review of the data

• The LFS data suggest that 20% of Scottish people aged 16 to retirement age are disabled, compared with a figure of approximately 15% derived from the Census.
• Glasgow City has the highest proportion of people of working age with LLTI, closely followed by North Lanarkshire, and West Dunbartonshire.

• The employment rate of people with limiting long-term illness is highest in the 16-35 age group in contrast to people without limiting long term illness where the employment rate is highest in the 35-49 age group.

• People with limiting long-term illness tend to be employed in lower level occupations: a higher proportion are in semi-skilled and unskilled manual occupations and a lower proportion are middle managers.

• Two thirds of people with limiting long term-illness living with dependent children are not in employment.

• More than half of all people with limiting long-term illness have no qualifications and the proportion of people with limiting long-term illness achieving a higher education qualification is only half that of non-disabled people (in interpreting this discrepancy, it is, however, important to bear in mind that some people with limiting long-term illness will have learning disabilities).

• 11% of the Scottish population are in receipt of state benefit due to illness or disability, with much higher claimant rates in some areas in the west. People with mental health problems account for almost a quarter of all Disability Living Allowance awards.

• A lower proportion of people with limiting long-term illness are homeowners and a higher proportion live in social rented accommodation.

**Disability and employment: the Scottish context**

• Since the majority of people who are economically inactive in Scotland have a limiting long-term illness, one might have expected social justice and economic development policies to focus on this group, with a particular emphasis on people with mental health problems. However, at least until recently, this has not been the case.

• Social justice indicators have tended to draw attention to the declining rate of unemployment as a measure of success. Claims have been made that there are overall reductions in the proportion of multiply disadvantaged people who are economically inactive. Whilst this claim is true for some claimant groups, for example, lone parents, it is not the case for incapacity benefit claimants, a much larger group.
UK and Scottish programmes and initiatives

- The field of employment development in Scotland has become quite crowded, leading to duplication of effort.
- There have been disjunctions between the employment policies of Jobcentre Plus and the Scottish Executive. Jobcentre Plus has until recently focused its employment programmes for disabled people (e.g. Job Broker schemes, Work Preparation) on those closest to the labour market and Access to Work is not available to people who are undertaking voluntary work. Supported employment is not funded by JCP, and attracts funds from a range of agencies including social work, health and the European Social Fund. By way of contrast, recent pilot projects funded by Scottish Enterprise through the New Futures Fund have been targeted at people with multiple disadvantages who are at a distance from the labour market, including disabled people who are incapacity benefit claimants.
- Debates continue about which groups of disabled people should be targeted by employment programmes, and how outcomes should be measured. In particular, there is uncertainty about what should be classified as a successful outcome, and whether this should be restricted to open employment. It has been argued that supported employment, voluntary work or deciding not to work at all might be deemed as positive results. Programmes aimed at disabled people rarely succeed in placing more than 20% of participants in work although this might be seen as a good success rate bearing in mind the range of barriers disabled people encounter. Where considerable emphasis is placed on employment outcomes, this inevitably leads to ‘cherry picking’ and the distortion of outcome figures.

Experiences of specific groups: Impairment-specific versus mainstream provision

- Despite the growing emphasis on the need to ensure that disabled people are able to access mainstream services, policies continue to be developed with a particular impairment group in mind. Such impairment-specific provision raises a number of issues and dilemmas. The disability movement has emphasised that disabled people should be seen collectively as a group subject to particular forms of discrimination and economic oppression. Developing policy in relation to a range of impairment groups may therefore
undermine the political development of the disability movement, since the claims of one group for priority action may be pitted against another, assumptions may be made about the homogeneity of people within groups and some people may have no lobby group to speak for them.

- Despite the proliferation of pilot projects and programmes, there are a number of social justice concerns in relation to access by disabled people. There are no entitlements to employment services or any right of appeal if denied access. Limited budgets lead to rationing of services. Access to Work, for example, is very highly regarded by employers and users, but it is rationed by its budget and therefore not widely publicised. Access to mainstream programmes may be restricted and there is no firm evidence on the extent to which disabled people are able to access other New Deal programmes. Finally, performance targets and funding regimes lead to unequal access, disadvantaging people less ready to take up paid work.

Future research priorities

7.2 There are a number of areas where future research on employment and disability in Scotland would be useful, including:

- Research which draws on UK and international data on ‘what works’ in the field of training and employment for disabled people would be useful.
- More research is needed to identify ‘what works’ in the field of vocational rehabilitation.
- There is a need for more research on the impact of key differences in disabled people’s experiences of employment and employment services in relation to nature of impairment, age, gender, race, social class and locality.
- More research on the employment experiences of disabled parents would be useful.
- The voices of disabled people have often been lacking from the research accounts which are available and more research is needed which focuses on their perspective, particularly in relation to research which focuses on policy evaluation.
- More research is needed which focuses on employers’ perspectives.
- More research needs to be carried out to explore the large gap in qualifications between people with and without disabilities, to
establish whether this can be explained by numbers of people with learning disabilities who may have difficulty obtaining qualifications or whether this is due to discrimination in the education system. Further research on disabled children’s experiences of school, the destinations of disabled school leavers and disabled young people’s experiences of further and higher education would be useful.

• In addition to researching experiences of disappointment and failure, it is important to investigate disabled people’s success in the education system and the labour market. Disabled graduates offer an opportunity to investigate the experiences of those who have achieved positive outcomes in the education system. Longitudinal work would be very useful in tracking the career development of this group over time. Research with disabled people who have remained in employment for sustained periods of time may help identify good practice in terms of how employers can both recruit disabled people and successfully keep them in employment.

• There continues to be uncertainty as to whether programmes should be targeted at those closest to or furthest from the labour market and there are different views on how outcomes should be measured. Research is needed which explores programme outcomes for different groups, and which investigates the impact of using certain measures of success in terms of incentivising particular types of activity.

• Given the complex relationship between disability, limiting long-term illness and joblessness, it is vital that research is conducted which informs the development of future policies in this area, exploring the inter-relationship of multiple barriers to employment and informing future employment programmes.

• There is clearly a spatial element to the incidence and prevalence of disability in Scotland as well as to levels of economic activity and receipt of incapacity benefits. Programmes like the Glasgow Challenge have begun to examine the underlying reasons for high levels of economic inactivity in the city but there is a need for more research on disability in Scotland which takes an area based approach and investigates the relationship between disability, employment and poverty.

• Lastly the absence of income data in relation to disabled people in Scotland means that there is a lack of information about low incomes and poverty in households containing people with a disability. More research in this area would be useful.
Disaggregated data priorities

7.3 It would also be useful if disaggregated data was available so that the effect of programmes and legislative developments on people with disabilities in Scotland could be evaluated:

- Given the fact that disabled people in Scotland are less likely to be economically active than the equivalent population in the rest of GB, it would be useful to consider the possibility of separate data for Scotland for JCP programme evaluations.
- It would also be useful if separate data analyses could be conducted in relation to legislative developments such as the impact of the Disability Discrimination Act and the National Minimum Wage.

Implications of findings for different groups

The Scottish Executive and its agencies

- Given the association between the buoyancy of the local economy, the number of people reporting an illness or disability and the employment rates of disabled people, there is a need for the Scottish Executive, in partnership with the UK Government, to continue with its efforts to revitalise areas of long-term industrial decline, in particular Glasgow and Dundee.

- There is a need for key Scottish Executive departments (Scottish Executive Enterprise, Transport and Lifelong Learning Department, Scottish Executive Development Department, Scottish Executive Education Department) to collaborate much more closely with their UK counterparts to ensure that Scottish policies and initiatives articulate with those developed at UK level.

- Within Scotland, there is a need for a better articulation of the social justice and equality agendas, recognising that the disadvantage experienced by disabled people is both economic and attitudinal in origin and that these are inter-connected.

- Disability should feature more prominently in the social justice indicators, since the majority of those who are economically inactive are disabled.
• Closer collaboration between health and employment services evident in the incapacity benefit pilots is to be welcomed and needs to be extended and developed in the light of the evaluation evidence.

• Efforts to improve the health and safety environment of workplaces, particularly in SMEs, need to be supported and extended.

• There is a need for on-going monitoring of the extent to which inequalities exist in access to employment and employment programmes among disabled people, e.g. people with mental health problems. In addition, the adequacy of support in the workplace and training programmes for particular groups, e.g. Deaf people, should be explored.

• There is a need for all Scottish providers of education, training and employment to disabled people to publish outcome data in accessible format and to monitor outcomes over time.

• The Scottish policy field is quite crowded, with many agencies providing training and employment services for disabled people. There is a need to ensure that the work of different agencies at local and national level articulates smoothly.

The UK Government and its agencies

• In the light of evidence on the limited success of the New Deal for Disabled People, there is a need for a reappraisal of the extent to which current programmes are achieving their goals of removing the barriers to employment for disabled people, particularly those facing multiple barriers.

• There is a need for a greater recognition of the inter-connectedness of social justice concerns, e.g. child poverty cannot be tackled without addressing the needs of disabled adults as parents and employees. UK policies need to be developed which recognise the links between adult and child poverty, poor housing, poor educational outcomes, economic inactivity and illness and disability.
• Jobcentre Plus needs to continue and extend current debates about the merit of specialist or mainstream services. In addition, the ways in which programme outcomes should be measured, particularly the balance to be maintained between ‘hard’ and ‘soft’ outcome measures, requires ongoing discussion.

• In the light of the proposed new Commission on Equality and Human Rights, there is a need to ensure that both disability and Scottish issues are adequately understood and addressed.

**Disabled people**

• This report makes clear that there is a long way to go before disabled people achieve economic and social equality in Scotland and the UK. There is therefore a need for disabled people to continue to pressurise government at UK and Scottish levels for better access to education, training and employment and to ensure they are consulted on policy decisions and are directly involved in policy evaluations.

• There is evidence that many workplaces do not provide healthy working environments for disabled and non-disabled employees. There is a need for all employees to be engaged in the promotion of health and safety in the workplace and to pressurise employers for change when this is needed.

• Disabled people need information on the impact of policy developments such as the National Minimum Wage, the Disability Discrimination Act and the New Deal for Disabled People. Requests should be made for accessible information from relevant agencies to inform future campaigns.

**Employers**

• Although representative organisations are routinely consulted about major policy developments, employers at local level have sometimes been left out of the loop in discussions on employment initiatives for disabled people. Given their centrality in the delivery of employment and training programmes, they should be much more closely involved in planning and monitoring.
• Employers have major responsibility for the creation of healthy workplaces. There is a need for better understanding of the factors which contribute to healthy working environments, particularly those affecting employees’ mental health.

• Employers need to be better informed about the support requirements of disabled employees and those on work placements. Employment service providers should ensure that they liaise closely with employers offering work placements to ensure that appropriate support is in place.
References


Durie, S (1999) Pathways to Work: Towards an Action Agenda to Create Valued and Sustainable Employment Opportunities for People with Mental Health Problems in Scotland. Scottish Development Centre for Mental Health: Edinburgh


Heenan, D (2002) It won’t change the world but it turned my life around: participants’ views on the Personal Adviser Scheme in the New Deal for Disabled People. *Disability & Society* 17 4 383-401


Kruse, D and Schur, L (2003) Employment of people with disabilities following the ADA. *Industrial Relations* 42 1 31-66


McLean, J (2003) Employees with long term illnesses or disabilities in the UK social services workforce. *Disability & Society* 18 1 51-70


Meager, N and Hurstfield, J (2005 forthcoming) Disabled people and the labour market: has the DDA made a difference? in Roulstone, A and
Barnes, C (eds) *Working Futures: Disabled People, Policy and Social Inclusion* Policy Press: Bristol


Scottish Executive (1999a) *Social Inclusion: Opening the Doors to a Better Scotland* Scottish Executive: Edinburgh


Scottish Executive (2001a) *A Smart Successful Scotland: Ambitions for the Enterprise Networks*. Scottish Executive: Edinburgh

Scottish Executive (2001b) *Adult Literacy in the Labour Market: A Literature Review*. Scottish Executive: Edinburgh


Scottish Executive (2002a) *Better Communities in Scotland: Closing the Gap*. Scottish Executive: Edinburgh


Scottish Executive (2003c) *Attitudes to Discrimination in Scotland*. Scottish Executive: Edinburgh


Scottish Executive (2004d) *Social Focus on Disability* Scottish Executive: Edinburgh


Glossary

AAG All Age Guidance
ADA Americans with Disabilities Act
AGN Adult Guidance Network
AtW Access to Work
BoND Building on the New Deal
BSRM British Society of Rehabilitation Medicine
COSLA Convention of Scottish Local Authorities
DDA Disability Discrimination Act 1995
DEA Disability Employment Adviser
DfEE Department for Education and Employment
DfES Department for Education and Skills
DoH Department of Health
DRC Disability Rights Commission
DSS Department of Social Security
DST Disability Service Teams
DWP Department for Work and Pensions
EBP Education Business Partnership
GB Great Britain
HEFCE Higher Education Funding Council for England
HESA Higher Education Statistics Agency
HIE Highlands and Islands Enterprise
HR Human Relations
ILM Intermediate labour Market
ILO International Labour Organisation
JCP Jobcentre Plus
JSA Jobseekers Allowance
LEC Local Enterprise Company
LFS Labour Force Survey
LLP Local Learning Partnership
LLTI Limiting Long-term Illness
NDDP New Deal for Disabled People
NEET Young people not in employment, education or training
NFF New Futures Fund
NFFI New Futures Fund Initiative
NHS National Health Service
NMW National Minimum Wage
OP Occupational Psychologists
PA Personal Adviser
PAS Personal Adviser Service
RNIB Royal National Institute for the Blind
RTW Return to Work
SEELLD Scottish Executive Enterprise and Lifelong Learning Department
SE Scottish Enterprise
SME Small to medium sized enterprise
SNU Special Needs Unit
RCT Randomised control trial
TUC Trade Unions Congress
UK United Kingdom
WFI Work Focused Interview
WP Work Preparation
Appendix 1 Organisations and Academics who were consulted during the review

Organisations

The Disability Rights Commission
Scottish Enterprise
Highlands and Islands Enterprise
Social Work Departments (or equivalent)
Local Enterprise Companies
Careers Scotland
Department for Work and Pensions
Jobcentre Plus
Glasgow Healthy Cities Partnership
Scottish Council for Voluntary Organisations
Scottish TUC
Capability Scotland
ENABLE
Scottish Human Services
Scottish Association for Mental Health
Scottish Union for Supported Employment
Social Firms Scotland
Scottish Development Centre
Scottish Consortium for Learning Disabilities

Academics

Professor Alan Macgregor, Training and Employment Research Unit, University of Glasgow
Professor Steve Platt, Research Unit in Health & Behavioural Change
Professor Margaret Reid, Division of Public Health, University of Glasgow
Dr Andrew Jahoda, Division of Psychological Medicine, University of Glasgow Professor Ivan Turok, University of Glasgow
Professor Robina Goodlad, University of Glasgow
Dr Jim Gallacher, Centre for Research on Lifelong Learning, Glasgow Caledonian University
Professor Mike Ffloyd, City University
Professor Lyn Tett, Moray House School of Education, University of Edinburgh
Mr Phil White, Business School, University of Edinburgh
Dr Wendy Loretto, Business School, University of Edinburgh
Dr Alan Roulstone, University of Sunderland
Dr Nigel Meager, Institute for Employment Studies, University of Sussex
Dr Tanya Burchardt, Centre for the Analysis of Social Exclusion, London School of Economics
Professor Jenny Secker, Anglia Polytechnic University.