

# Mind the Disability Employment Gap

CSJ Disability Commission:  
Employment Update

November 2024

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# Introduction

In 2021 the Centre for Social Justice published *Now is the time*, a landmark report on disability in the UK. This was the culmination of work by a Commission convened by the CSJ to bring together voices from politics, the policy world, charities and disabled people themselves, and was intended to support the then-government's commitment to develop a national disability strategy.

A key purpose of that report was to discuss the employment landscape for disabled people. Since then, this issue has rocketed up the political agenda. Rising numbers of people out of work due to disabilities or health conditions, and claiming health-related state benefits, has become the defining challenge for labour market policy.

The new government have set an ambitious target for achieving an 80% employment rate. Given almost a quarter of working-age adults now report a disability or a health problem causing substantial impairment, that target will never be met without making significant progress in supporting this group into work.<sup>1</sup>

Our 2021 report set out an extensive list of detailed recommendations on disability employment. These included:

- › Funding and rolling out supported employment services to local areas, based on the Individual Placement and Support (IPS) model.
- › Reviewing the apprenticeships programme including targets for disabled apprentice numbers, establishing a national framework for supported internships, and increasing awareness among young disabled people of these opportunities.
- › Improving employment rights for flexible working and statutory sick pay (SSP).
- › Requiring employers to report the number of disabled people they employ and the disability pay gap within their workforce.
- › Making the Access to Work scheme simpler and easier to use for disabled people, including 'indicative awards' and 'passports' for customers moving between jobs or moving from education into employment.
- › Reforming Disability Confident to require more significant action from employers who want to be certified by the scheme.

These recommendations also informed the creation of the Disability Employment Charter by a group of leading disability charities and trade union UNISON, which has been signed by over 220 major employers, local authorities and organisations, including McDonald's, the Post Office, and the TUC.

Progress has been made since the publication of *Now is the time*, but this has often been slow or insufficiently ambitious. The new government must ensure that the needs of disabled people and the barriers they face in the world of work are at the heart of their plans to 'get Britain working'. This needs to start with their upcoming White Paper on reforming employment support.

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<sup>1</sup> [www.gov.uk/government/statistics/family-resources-survey-financial-year-2022-to-2023](http://www.gov.uk/government/statistics/family-resources-survey-financial-year-2022-to-2023)

## What has happened to disability employment rates?

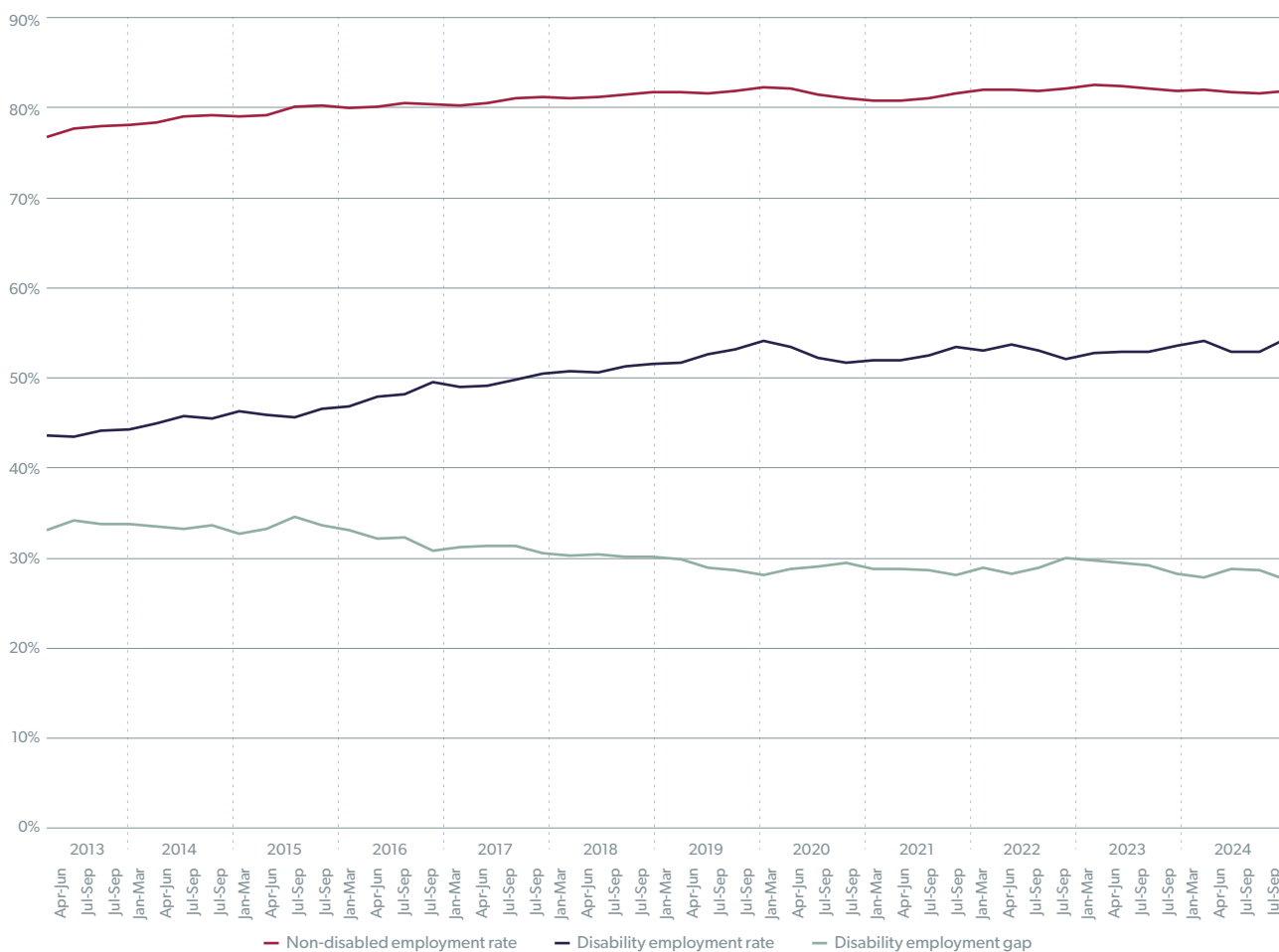
The 'disability employment gap' is the difference in the employment rate of disabled people and people who are not disabled. In July-September 2024, the employment rate for disabled people was 54.4% and the rate for people who were not disabled was 81.9%, meaning the disability employment gap was 27.5 percentage points.

Between 2013 and 2019, the gap fell steadily, from around 34% to around 29%. While the employment rate for non-disabled people was rising over this period, the employment rate for disabled people rose even faster. In fact, the number of non-disabled people in work today is roughly the same as in 2013, while the number of disabled people in employment has roughly doubled. There are now over five and a half million workers with a disability according to official data.

This, however, should not be cause for complacency. These numbers mask the fact that the number of people reporting as disabled has risen substantially over this period as well. Of those who state their health situation in the Labour Force Survey, the proportion of people in work who report a disability has risen from around 10% in 2013 to around 18%.

Progress on closing the gap has also stalled since 2019, with the gap now standing only slightly lower than it did five years ago.

### Employment rates for disabled and non-disabled people



[www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/labourmarketstatusofdisabledpeoplea08](https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/labourmarketstatusofdisabledpeoplea08)

## What action has government taken to date?

In 2021 the government published a National Disability Strategy. This contained many welcome measures, including ones called for in the CSJ's work with the Disability Commission, but the Strategy also received criticism for insufficient commitment and detail, and the government was taken to court over the consultation process. A subsequent Disability Action Plan was published in February 2024.

For example, the National Disability Strategy committed to Adjustment Passports to help with Access to Work claims and disabled students transitioning into the world of work. The DWP has now piloted these passports but progress is yet to be made beyond this.

Last year the then-government adopted the CSJ's recommendation for a new supported employment programme, Universal Support. This was initially funded for 50,000 places per year, then expanded to 100,000. The scheme will be based on the IPS 'place and train' model which places someone into a suitable job and gives them a personal support worker who provides wraparound support for up to a year as they find their feet, ensuring they can stay in work after starting a job. The scheme has £1.4bn of funding allocated to it.<sup>2</sup>

In the 2023 Spring Budget the government committed £3m over two years for an expansion of the supported internships programme, though again this is only a pilot at this stage.

As called for in the CSJ's 2021 report, a day one right to request flexible working was introduced in April 2024. The last government also commissioned Sir Robert Buckland to carry out a review of employment for autistic people in particular, which reported back in February 2024. The new government is yet to provide an update on progressing the recommendations in that review.

## Much more needs to be done

### Supported Employment

It is disappointing that the new government has delayed the rollout of Universal Support, which was meant to begin in Autumn 2024 but is now not due to start until Spring 2025. It is not yet clear whether this is because changes are being made to the structure of the scheme or the interventions it will deliver. The new government also seems to be intending to rename the scheme.

Whatever the branding, this scheme has significant funding attached to it and is intended to be delivered at a local level. It will support 100,000 people per year. *Universal Support should form an important part of the government's plans for localised work, health and skills plans, which are expected to be elaborated on in the upcoming Get Britain Working White Paper.*

As was highlighted in *Now is the time*, awareness and understanding of these sources of support is vital, especially for disabled people who may not be coming into the jobcentre. *Integrated local plans should ensure referrals into Universal Support from as many routes as possible to maximise uptake – including health services and third sector organisations as well as jobcentres.*

DWP have said they do not expect to complete the final evaluation of Universal Support until 2031.<sup>3</sup> The localised delivery of the scheme could mean significant variation in performance between areas, but also provides the opportunity to assess a wide variety of different approaches to establish what works. *The government should closely*

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<sup>2</sup> [questions-statements.parliament.uk/written-questions/detail/2024-10-17/9699](https://questions-statements.parliament.uk/written-questions/detail/2024-10-17/9699)

<sup>3</sup> [obr.uk/docs/dlm/uploads/Letters\\_from\\_Departments\\_to\\_HM\\_Treasury\\_evaluation\\_plans.pdf](https://obr.uk/docs/dlm/uploads/Letters_from_Departments_to_HM_Treasury_evaluation_plans.pdf)

monitor Universal Support schemes across the country with early findings used to spread best practice and quickly address underperforming localities.

## Apprenticeships and internships

The funding provided for supported internships in the 2023 Budget was welcome, and was a testament to the work of the CSJ Disability Commission. There is now an opportunity for the new government to use its new Youth Guarantee, more details of which are expected in the Get Britain Working White Paper, to enhance support for young disabled people.

*The Youth Guarantee should include specific support for disabled young people including supported internships and supported apprenticeships. There should be sufficient funding for these schemes to be effectively demand-led, with a place available for any disabled young person who wishes to take one up.*

The government have said part of the White Paper will include merging the Careers Service with Jobcentre Plus into a new integrated service. *The new National Jobs and Careers Service must ensure disabled young people are made aware of supported internships and supported apprenticeships and how these tailored schemes can help overcome the barriers they face. The government should set targets for referrals through this route and publish performance against these.*

## Employers

There are a number of measures included in the new government's legislative agenda which were called for in the CSJ's 2021 report. This includes flexible working rights, such as adjusted working hours or working from home, SSP reform and mandatory disability pay gap reporting.

The Employment Rights Bill includes proposals to make flexible working the default for all jobs, as recommended in the 2021 paper. This builds on the day one right introduced earlier this year, as also recommended in that paper. However, the current draft of the legislation still leaves significant latitude for employers to refuse flexible working through the grounds available to them to justify refusal. These include burden of additional costs, detrimental effect on ability to meet customer demand, inability to re-organise work among existing staff and inability to recruit additional staff. *The government should either narrow these statutory grounds for refusing flexible working to make them more specific, or require employers wishing to refuse a request to submit their case to the planned new Fair Work Agency and obtain agreement.*

The government has committed to introducing mandatory disability pay gap reporting for larger employers in its Equality (Race and Disability) Bill, but details of this legislation are yet to be released. *As called for by the CSJ in 2021, the new reporting requirements should include reporting on both mean and median disability pay gaps, percentage of disabled employees in each pay quartile, and bonuses data.*

It is also not clear if the government's plans include mandatory workforce reporting. This was originally part of the National Disability Strategy but work was paused following the legal action against the Strategy. *The new government should finally report back on the consultation on mandatory disability workforce reporting and include this in the Equality (Race and Disability) Bill.*

## Access to Work

Adjustment passports allow disabled people to move more seamlessly between organisations while retaining their Access to Work support, as well as supporting students receiving Disabled Students Allowance who are transitioning from education into employment and require workplace adjustments. *The government must speed up the work being done to pilot adjustment passports and roll these out nationally.*

The Labour Party in Opposition committed to introducing indicative awards for Access to Work, as called for by the CSJ in *Now is the time*, to give disabled people confidence about the support they can expect and give employers more certainty about what costs will be covered. The government has not yet confirmed it intends to take this forward. *Indicative awards for Access to Work should be included in the Get Britain Working White Paper, delivering on commitments made before the election.*

The government has also been piloting Access to Work Plus, which is an enhanced support offer for people with significant support needs beyond the normal support available through Access to Work. *The government should urgently evaluate the Access to Work Plus pilot and rollout an enhanced level of support for disabled people with specific high needs or where their adjustments may require a significant one-off cost.*

## Disability Confident

*Now is the time* highlighted that Disability Confident status is often fairly meaningless and the current scheme is not driving significant action from employers. This remains the case, with no major changes made to the scheme since the report was released. The last government reviewed the scheme, as committed to in the National Disability Strategy, but did not take action in time for the election. The new government published that review in October.<sup>4</sup> *Disability Confident needs to be reformed so that levels 2 and 3 require new and current members of the scheme to meet minimum thresholds regarding the proportion of their workforce that is disabled. Employers should be required to commit to moving up from level 1 to levels 2 and 3. Employers who do not move up from level 1 after three years should be stripped of their accreditation. This should form part of the Get Britain Working White Paper.*

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<sup>4</sup> [committees.parliament.uk/publications/45495/documents/225289/default/#:~:text=The%20National%20Disability%20Strategy%20\(July,Review%20with%20the%20aims%20of%3A&text=Reviewing%20and%20strengthening%20levels%20,increase%20disabled%20people's%20employment%20opportunities.](https://committees.parliament.uk/publications/45495/documents/225289/default/#:~:text=The%20National%20Disability%20Strategy%20(July,Review%20with%20the%20aims%20of%3A&text=Reviewing%20and%20strengthening%20levels%20,increase%20disabled%20people's%20employment%20opportunities.)

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