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Chapter 4

Why are the policies and organisations seeking to help disabled people access work failing?

Bruce Stafford

Introduction

Social security governance and policies are not immune to wider political and economic ideas. Specifically, British employment policies aimed at disabled people have been subject to marketisation and performance management regimes that reflect neo-liberalism and the New Public Management turn in public administration (Hughes, 2003; Carmel and Papadopoulos, 2009; Flynn, 2012), as well as being a means to achieve ‘efficiency savings’ in Whitehall (see, for instance, Gershon, 2004, p 38). In recent years successive governments, through the responsible department, the Department for Work and Pensions (DWP), have implemented programmes that involve private and third sector organisations competitively tendering to deliver programmes targeted at working age people including disabled people (see, for example, DWP, 2006, 2007b, 2008, 2010, 2011, 2012, 2013a, 2013c; Freud, 2007; Finn, 2009a; Damm 2012). This shift in service provision has also happened in other countries, and is controversial (Davies, 2008; Finn, 2009b; Grover, 2009; Work and Pensions Committee, 2013).

These market-based programmes seek to assist disabled people in receipt of incapacity-related benefits¹ to move into, or towards, ‘sustained’ paid work via a variety of (mainstream) employment programmes. Typically, however, these initiatives have only relatively small impacts on employment. This is not to deny that employment programmes

¹ The benefits include Incapacity Benefit, Income Support claimed on the grounds of incapacity, Severe Disablement Allowance and their replacement (in October 2008) Employment and Support Allowance.

have successfully placed some disabled people in employment (see Bambra et al, 2005) rather to argue that the people most in need of support are the least served by these programmes. This occurs because the contracts have an incentive structure that rewards contractors for working with, and placing in employment, participants who are more job ready. Providers are then more likely to meet performance targets, and importantly for their finances, generate revenue income. Two examples of these programmes – the New Deal for Disabled People (NDDP) and Pathways to Work (Pathways) – are presented in this chapter to illustrate the argument that the marketisation of such provision can disadvantage many disabled people in the labour market. The DWP commissioned evaluations of both programmes (see Stafford et al, 2007; Dorsett, 2008; Knight et al, 2013), and this chapter draws upon the author’s involvement in the evaluation of NDDP and published work on Pathways. These evaluations used quantitative and qualitative methodologies to examine how the programmes worked and were implemented, and their impact on participants, notably their exits from benefits and moves into employment. The evaluations were commissioned as part of New Labour’s commitment to evidenced based policymaking and sought not only to influence the development of policy, but also practice.

The chapter begins by providing an overview of the two programmes and their funding regimes. It then considers the outcomes and impacts of the two programmes, as a prelude to discussing why those furthest from the labour market might be poorly served by contracted-out provision. The characteristics of participants who were less likely to find employment under both programmes are then outlined before some concluding comments are presented.

The policies and delivery organisations

Before outlining the two programmes, it is important to emphasise the heterogeneous nature of the target population. Not only do recipients of incapacity-related benefits vary by demographic characteristics such as gender, age and health characteristics, but some are closer to the labour market than others (see, for example, Dorsett, 2008; DWP, 2013b). Those closer to the labour market share characteristics associated with being job ready, such as, higher educational attainment, possessing a driving license and being a homeowner. However, some disabled people face multiple barriers to finding employment. In addition to their disability, for instance, they may lack basic skills, have a fluctuating work history and/or are members of the black and ethnic minority community and so on (Hayllar and Wood, 2011; Coleman et al, 2013). In brief, even if they were not disabled by society some recipients would encounter difficulties in the labour market due, for example, to low skill levels and/or age.

The introduction of NDDP was announced in 1997 and more details given in two 1998 consultation papers on welfare reform (DSS 1998a and b). It was piloted in 1998 and a revised programme rolled out nationally in 2001. NDDP was initially delivered by 64 Job Brokers, who were public, private or third sector organisations, for example, local authorities, disability charities, recruitment agencies and training providers (McDonald et al, 2004). Some of these organisations had a wealth of experience of working with disabled people, but for others this was a new client group. There was some variation in the services provided by Job Brokers, but they often included assessment of basic skills, vocational advice, job search support, training and work placements. Some contractors also provided participants with a financial incentive if they entered employment.

Pathways was proposed in a 2002 Green Paper (DWP, 2002), piloted, judged to be ‘*very successful*’ (DWP, 2007a) and then rolled out to other areas. Initially, the British public employment service, Jobcentre Plus, which is part of DWP, delivered the programme. However, provision was contracted out in two waves, in December 2007 (phase 1) and April 2008 (phase 2), to areas not previously covered by the programme (National Audit Office (NAO), 2010; Knight et al, 2013 ;). The completion of phase 2 meant that the whole country was covered by Pathways. Eleven organisations, the over-whelming majority of which were private sector organisations with the remainder from the third sector, were awarded 34 area-based contracts (NAO, 2010; Knight et al, 2013). Under this so-called ‘provider-led’ model, the contractors led provision covered 60 per cent of the country (NAO, 2010). Elsewhere, Jobcentre Plus delivered the programme, but used external contractors and the NHS to support provision. For a time NDDP and Pathways ran alongside one another. NDDP continued in those areas where Jobcentre Plus delivered Pathways. However, NDDP provision was replaced by Pathways in provider-led areas, although the contractors were required to provide an equivalent service to NDDP. Pathways ended in Jobcentre Plus and contracted-out areas in March/April 2011. As a non-specialist disability programme it was replaced by the Coalition government’s Work Programme (Sayce, 2011).

Pathways was designed to provide an earlier and more intensive intervention than offered by NDDP (NAO, 2010). Pathways also offered a financial incentive for those who had returned to work (£40 per week for the first 12 months of employment) and a Condition Management Programme designed to help benefit recipients manage their condition so that they might gain employment.

NDDP was a *voluntary* programme. It had a take-up rate of around three per cent of the eligible population (Stafford, 2012). However, for most *new* incapacity-related benefit claimants, participation in Pathways was *mandatory*, and they had to attend, and engage with, six work-focused interviews with an adviser whilst they remained on benefit. Jobcentre Plus staff conducted the first interview in all areas, but in provider-led areas the contractors undertook any remaining interviews. Those failing to attend an interview without ‘good cause’ risked a 20% benefit sanction being imposed, with a further 20% reduction for each subsequent failure to attend (Mitchell and Woodfield, 2008; see also Dorsett, 2008). Existing claimants and those new claimants not obliged to take part could volunteer to join Pathways.

Whilst there were programmatic differences between NDDP and Pathways they shared a number of commonalities. Both were designed to help reduce the number of people claiming incapacity-related benefits by one million over a 10 year period (DWP, 2006), and to provide more tailored, individualised work-focused support to participants in order to help them enter paid work. The programmes also included post-employment support to participants. Importantly, the provision of both programmes was subject to competitive tendering by DWP. External providers tendered to deliver the relevant programme for a specific geographical area or areas. Some areas were covered by more than one contractor – so users had some degree of choice. Often contractors out-sourced aspects of their service to local public, private and/or third sector bodies, creating a ‘supply chain’. These arrangements could range from formal sub-contracts through service-level agreements to more informal arrangements (see Stafford et al, 2004; Hudson et al, 2010). The DWP did not always know with whom their prime contractors had sub-contracted or worked with informally (McDonald et al, 2004; Hudson et al, 2010; NAO, 2010).

The DWP, which wished to encourage innovation in service delivery under both programmes, did not specify the services that contactors were required to provide; although there were some minimum requirements, for example, the formulation of participants' Action Plans under NDDP and the provision of the Condition Management Programme under Pathways. However, there is little evidence that the contractors in either programme delivered new interventions to serve disabled people (Corden et al, 2003; Hudson et al, 2010). Providers in both programmes delivered 'tried and tested' interventions.

These were not the only two policies for disabled people. For example, a new incapacity benefit (Employment and Support Allowance) was introduced in 2008, changes to anti-discrimination legislation were made and there were complementary Jobcentre Plus' specialist disability programmes² like Access to Work and the-(then) Work Preparation, Job Introduction Scheme and WORKSTEP (NAO, 2005; Sayce, 2011).³ Nonetheless, the main employment programmes for disabled people between 2001 and 2010 were NDDP and subsequently Pathways.

² Contractors referred participants back to Jobcentre Plus to access these specialist employment programmes.

³ Access to Work was a grant paid to those about to start paid employment, self-employment or a work trial and it helped cover the extra costs that someone with a disability might incur, such as, the need for work adaptations, specialist IT equipment, a support worker, certain travel costs and so on. Work Preparation aimed to improve a disabled person's employment options, self-confidence and work-related skills through short-term work placements. The *Job Introduction Scheme* was a weekly grant payable to employers for up to six weeks (and exceptionally 13 weeks) to assist towards the extra costs of employing a disabled person. WORKSTEP was designed to provide a tailored package of support for disabled people with significant and complex barriers to finding and retaining work. Provision in the open labour market and in businesses designed to employ disabled people was contracted-out to local authorities, and third and private sector organisations, and also delivered by REMPLOY (an executive non-departmental public body of the DWP). Following the recommendation of the government commissioned Sayce review (2011) of disability employment and training, it announced in 2012 that subsidies paid to REMPLOY would end and its factories sold or closed. Work Preparation and WORKSTEP were replaced by Work Choice in October 2010. Work Choice is a voluntary programme that offers help with moving into work and in-work support, and its provision is contracted-out. Provision includes advice, training, work trials, job search assistance and so on. Emerging evaluation findings suggest that many of the issues discussed in this chapter also apply to Work Choice (see Purvis et al, 2013).

Performance and funding regimes

The DWP monitored providers' performance against contracted job outcome targets and by conducting regular reviews of performance. The targets were designed to ensure that policy goals were met and that the providers did not exceed the programmes' budgets.

The programmes shared a funding model – 'outcome-related funding' or 'payment by results'. Whilst the details of their funding regimes varied and changed over time, providers in both programmes received the majority of their income through placing participants in (sustained) employment. In both cases providers received a fee (a small lump sum under NDDP and a monthly payment for Pathways), a payment for a job entry and a further payment if the employment was sustained (that is, the employment lasted for 26 weeks⁴) (Stafford et al, 2007; Hudson et al, 2010). So, for instance, 70 per cent of the Pathways' contract value was paid on performance in terms of job entries (50 per cent) and job sustainability (20 per cent) (McDonald et al, 2007). A difference between the programmes was that the payment per job outcome made to Job Brokers under NDDP varied between providers (depending upon what they had bid) (Stafford, 2012), but was the same for all Pathways providers (Hudson et al, 2010).

In practice, contractors in both programmes could under-perform relative to the target number of jobs (Corden et al, 2003; Lewis et al, 2005; CPA, 2010; NAO, 2010; Stafford, 2012). Over-bidding by contractors (and for Pathways the 2008 financial crisis and related recession (Hudson et al, 2010)) meant their revenue income was less than expected. Not only did this mean that contractors could face cash-flow problems or have insufficient working capital if they did not meet their targets, but that they had a strong financial incentive to find

⁴ In 2003, DWP reduced this to 13 weeks to help Job Brokers with their cash flow.

employment for participants closer to the labour market because they were easier to help and timelier in generating revenue income.

The DWP formally and informally amended contracts to help contractors' cash-flow (Corden et al, 2003; Lewis et al, 2005; NAO, 2010; Hudson et al, 2010). For example, DWP could 're-profile' under-performing Job Brokers' monthly targets by reducing their target number of registrations and job entries (in some cases by as much as 50%) (Davis et al, 2006). Nonetheless, some contractors and partner organisations made financial losses (Corden et al, 2003; Lewis et al, 2005; McDonald et al, 2007; CPA, 2010; Hudson et al, 2010). So, for instance, a NAO (2010) survey showed that one third of the prime contractors and two thirds of sub-contractors expected to make a financial loss from their involvement in Pathways. Consequently, some had to subsidise the programmes from other schemes, some reduced resources allocated to the programmes, and some terminated their contracts or did not seek to renew them (Corden et al, 2003; Stafford et al, 2004; Greenberg and Davis, 2007; Stafford et al, 2007; Grover, 2009; Hudson et al, 2010; NAO, 2010). Any reduction in resources led to a fall in the service 'offer' to participants, for example, limiting or withdrawing access to training courses.

Outcomes Achieved and Impacts

The DWP commissioned evaluations of the impacts of the two programmes on benefit receipt and employment (see Orr et al, 2007; Knight et al, 2013), and the NAO (2010) also investigated the impact of the Pathways programme. The impact studies report 'average' outcomes for participants, and acknowledge that in addition to the programmes there are other factors (such as, the attitudes of employers) that influence whether a disabled person successfully gains paid work. In general, the employers participating in the programmes were

the ‘usual suspects’, that is, employers with a good track record of employing and retaining disabled people.

The rate at which recipients exited incapacity benefits was higher for NDDP participants compared to non-participants. So, for instance, the exit rate for participants was 13 to 16 percentage points higher than for non-participants after 24 months (Orr et al, 2007). For Pathways the situation is more complex. The Jobcentre Plus-led pilot Pathways did not significantly increase the flow of participants off incapacity benefits (Dorsett, 2008). However, the later Knight et al (2013) analysis, which measured the impact of the phase 1 contractors on all benefits, shows that the providers significantly reduced the proportion of incapacity benefit recipients by 1.8 percentage points. The NAO (2010) study found that some new claimants flowed off benefit earlier than had there been no Pathways programme. However, this is mainly attributed to the associated moving of the timing of the medical assessment for incapacity benefit from six months to three months and not to the programme. Early exits from benefit were also due to recipients wishing to avoid the ‘prospect’ of the mandatory work-focused interviews (NAO, 2010).

NDDP did help some disabled people move into employment. Between July 2001 and November 2006 there were 260,330 programme registrations, of which 110,950 (or 43%) resulted in jobs by November 2006 (Stafford et al, 2007). Indeed, the proportion finding employment increased over time (Orr et al, 2007). For example, 32% of those registering between July 2001 and June 2002 found work within 12 months, and this increased to 44% for those registering between December 2004 and November 2005. NDDP also had some success at securing sustainable employment for participants. For instance, of those participants gaining employment during the period up to August 2006, most (57%) had been

in continuous employment of least 13 weeks. Interestingly, the employment rate was higher for NDDP participants residing in Pathways areas (39%) compared to those living in areas not yet covered by Pathways (29%) (Legge et al, 2006). The reason for this were unclear, but it might be because participants in Pathways' areas were eligible for a short term financial incentive for entering work.

By the end of March 2009, approximately 15% of Pathways participants had found paid work (NAO, 2010). Early evaluation findings suggest that over a period of time (18 months) the Jobcentre Plus-led pilot Pathways were successful in gradually increasing the employment rate of people who initially inquired about the service (Dorsett, 2008), but this increase mainly occurred amongst those who were *not* in receipt of benefits (at around 18 months) (Dorsett, 2008). The NAO (2010) subsequently found that the programme had a relatively low, or no, impact on employment rates.

Critically, for the argument presented here, the private and third sector contractors performed no better than Jobcentre Plus in achieving participants' moves into employment (Knight et al, 2013). Indeed, Jobcentre Plus performed better than the providers in getting participants who were *mandated* to take part in the programme into jobs over the period December 2007 to July 2009 (11% compared to 9%) (NAO, 2010). It also follows that the contractors had a higher proportion of voluntary participants in employment (40% compared to 9%). This inequity in job outcomes for participant types reflects the incentive structures of the programme. Because voluntary participants were more motivated to find paid work they were easier to place in employment than the mandated ones (Hudson et al, 2010; NAO, 2010).

For those participants obtaining employment, the jobs could be low paid and not always sustainable (see Hayllar and Wood, 2011; NAO, 2010). In NDDP the jobs tended to pay above the National Minimum Wage (Legge et al, 2006), and most participants (around a quarter) entered routine, unskilled occupations (Kazimirski et al, 2005; Legge et al, 2006); for example, driving, domestic work, retail and security work (Corden et al, 2003). In the provider-led Pathways a half of the jobs were in low skilled (semi-routine or routine) occupations (Hayllar and Wood, 2011). The relatively low paid and low skilled work that the participants from both programmes tended to obtain could be because the contractors focused on job outcome targets. They found it easier to place people in this type of employment than in higher quality jobs (NAO, 2005).

Why is market provision problematic?

As the above discussion shows there were some positive outcomes for some disabled people. However, not all participants were equally well served. The programmes' neo-liberal design – prioritising the contracting-out of provision and using financial incentives to influence individual and organisational behaviour – worked against certain disabled people (those furthest away from the job market). Those furthest away from being job-ready were disadvantaged, because of **adverse selection** and **moral hazard**, which are inherent in these sorts of schemes.

Adverse selection

There is evidence of information asymmetry in the procurement process (that is, of adverse selection). Some of the external providers for both NDDP (Corden et al, 2003) and Pathways (NAO, 2010) underestimated the difficulties and complexity of the client group they were seeking to place in employment. As a consequence, they lacked the resources (notably staff),

employment measures and time to address the full range of needs of the population they were meant to serve. It also means that they ‘over-bid’ when submitting their tenders. In other words, some organisations intentionally or unintentionally (due to, say, a lack of understanding of the needs of the client group) proposed unrealistic performance targets. Consequently, they secured contracts at the expense of those submitting less ambitious, but more feasible bids (see Davis et al, 2006; CPA, 2010). Similarly, the DWP appears, in accepting the targets in contractors’ tenders, to have lacked information on the providers’ ability to deliver. Indeed, the NAO (2010) is critical of the DWP’s failure to adequately review the Pathways bids.

Moral hazard

When provision is contracted-out there is a risk of ‘moral hazard’, namely that the contractor undertakes behaviour that was not intended by the principle (in this case the DWP). There are risks of:

- ‘cream-skimming’ or ‘cherry picking’ when providers have the opportunity to select who participates in their provision;
- ‘creaming’ when contractors provide more intensive support to those participants who were more job ready; and/or
- ‘parking’ when providers offer limited (the minimum), or no, support to those deemed further from the labour market.

All three behaviours arise so that providers can meet set job outcome targets and generate sufficient cash flow. They also help frontline staff manage their caseloads (Lewis et al, 2005).

NDDP was a voluntary programme and there is some evidence of cream-skimming by Job Brokers. Participants requiring a lot of support might not be registered by Job Brokers for the programme, or could be referred back to Jobcentre Plus for more specialist help (Corden et al, 2003; Lewis et al, 2005; Davis et al, 2006). However, there is also evidence that not all Job Brokers engaged in ‘cream skimming’ as some reported operating ‘open’ registration policies and practices and sought to make their services widely available (Corden et al, 2003; Lewis et al, 2005).

Creaming and parking occurred in both programmes. There is qualitative evidence that Job Brokers tended to prioritise participants who were more job ready (Corden et al, 2003; Lewis et al, 2005). The criteria used to assess job readiness varied between Job Brokers, but could include the amount of time and resources needed to secure a job entry and the extent of the participants’ engagement with the service (Corden et al, 2003; Davis et al, 2006). Other factors could also affect prioritisation of participants, such as, the relative buoyancy of the local labour market (Corden et al, 2003). Some Job Brokers had formal systems for prioritising or banding participants according to their job readiness.

Judgements about job readiness and concerns about funding could also affect the type of NDDP services provided to people. Harder to reach participants could have less frequent, and fewer, contacts with Job Brokers and/or were referred to other services (Corden et al, 2003; Lewis et al, 2005). Conversely, participants entering or sustaining work for 13 weeks could receive a financial incentive paid by some Job Brokers (Lewis et al, 2005). The payments were typically grants to cover the cost of, for example, clothing and equipment, and were for relatively modest sums (around £100).

The view that NDDP was for people who were close to the labour market was shared by Jobcentre Plus advisers (Dickens et al, 2004). Indeed, the view that only job-ready recipients were suitable for NDDP led some Jobcentre Plus advisers to refer only these claimants to Job Brokers (Corden et al, 2003).

Qualitative and quantitative research also provides evidence of creaming and parking in Pathways. Four case studies by Hudson et al (2010) show that providers used ‘traffic light systems’ and numerical categories to classify the job-readiness of participants. The classification systems influenced the amount of time and the type of support given to participants. Those judged most job ready were ‘creamed’, whilst those seen as furthest from the labour market were ‘parked’, receiving the minimum standard of service (Hudson et al, 2010; see also Tennant et al, 2010). Job readiness also influenced referrals to partner organisations. Prime providers creamed their caseload to the extent that they: ‘served those customers who were considered more likely to enter work, while partner agencies attended to the not directly work-related needs of customers who were not immediately ready for employment.’ (Hudson et al, 2010, p 3). That is, participants facing greater barriers to work were passed down the supply chain (Hudson et al, 2010). This in turn could adversely affect the partner organisations’ cash flow.

Tennant et al (2010), in a qualitative study of the phase 2 provider-led Pathways, report that participants were aware of creaming and parking practices by contractors. Those further away from the labour market:

... perceived that advisers spent less time with them during their [work-focused interviews] once it was apparent that they were not ready to enter the labour market in

the near future Other customers also perceived that advisers tailored the level of support for preparing them for paid employment (e.g. access to or funding for courses) according to their perceptions of how close the customer was to moving into work (Tennant et al, 2010, p 71).

Hayllar and Wood (2011) report on a telephone and web survey of new and repeat incapacity benefit recipients in phase one provider-led Pathways areas, and conclude that it is difficult to assess whether parking and creaming of participants occurred (Hayllar and Wood, 2011). However, they find that 77 % of respondents received some form of work-related activity (such as help applying for a job or with writing a CV) to support them into employment (Hayllar and Wood, 2011). This means that nearly a quarter of participants received no such assistance from their provider. Whilst these participants may not have wished to enter employment for a number of reasons (such as their assessment of their health condition), it does mean that, contrary to the policy intent, they were effectively 'parked' by the contactors. Although the Pathways contractors achieved a relatively high level of attendance by participants at multiple work-focused interviews, this could mask: "‘parking’ by Providers of groups of customers who are harder to help. This could occur where customers continue to be asked to attend meetings, but these are cursory and do not lead to significant assistance" (Hayllar and Wood, 2011, p 32). As Hayllar and Wood (2011, p 62) poignantly observe: "Although being 'parked' might have been the most appropriate approach for these customers in their own view, it might be argued that these were precisely the groups who should be challenged and actively offered assistance". Hudson et al (2010, p 4) succinctly conclude that provider-led 'Pathways outcome-based contracts do not reflect an expectation that providers will work with the harder to help'.

Policymakers have sought to address moral hazard in the design of programmes (Finn, 2009a), for instance, by differential pricing whereby contractors receive a higher payment for the hardest to help (Finn, 2012) – but this does not eliminate the financial incentives to cream and park (Simmonds, 2011; Work and Pensions Committee, 2011; Rees et al, 2013; Work and Pensions Committee, 2013). The Coalition government’s contracted-out Work Programme replaced the provision provided by NDDP and Pathways and utilises differential pricing in an attempt to minimise moral hazard for disabled people. However, emerging evidence is that employment outcomes for disabled people are poorer than for non-disabled people (which may reflect creaming and parking by providers) (Rees et al, 2013; Work and Pensions Committee, 2013). Hence, moral hazard is difficult to eliminate in a market based, outcome-driven system (see Mulheirn and Menne, 2008; Finn, 2009a).

Who might be adversely affected?

The evaluations of both programmes identify a number of factors that are statistically associated with moves into employment. Some of these factors help to provide a ‘picture’ of sub-groups who were less well served by contracted provision. The sub-groups identified as least likely to enter employment vary by analysis, but *include* participants (Kazimirski et al, 2005; Legge et al, 2006; Hayllar and Wood, 2011):

- whose self-assessed health status had continued to be ‘poor’ or had not improved whilst on the programme;
- having a mental health condition;
- living alone;
- renting from a social landlord;
- with no qualification or poor basic skills (and not having a driving licence);

- having a fluctuating work history;
- having low motivation and/or lacking confidence;
- being a member of an ethnic and minority group; and
- being male.

Taken together these characteristics suggest that those participants who might traditionally be viewed as furthest from the labour market were the least likely to enter employment under either programme.

In the multivariable statistical models used to identify these factors the key variables are gender, health status and educational attainment, although the studies did not always include the same variables. Having a mental health condition was identified in all three analyses, but is only significant at the five per cent level. This possibly under-estimates the link between mental health and employment outcomes because survey respondents' mental health status will be based on their primary condition, whereas many of those coded as having a physical or learning disability will have depression, anxiety and stress as secondary conditions.

Conclusion

The argument here is *not* that the two programmes did not help some people into employment (clearly NDDP did), nor that participants were not overall satisfied with the service, as they were (see, for example, Hayllar and Wood, 2011), rather that the marketisation of the programmes meant that some people were better served than others. Moreover, those least well served were not a random sample of the programmes' participants but tended to be those

in most need of support. It is in this sense that the policies and organisations designed to help disabled people find work are failing.

A related consequence is that providers are overly concerned with job outcomes, rather than with some individuals' significant, albeit possibly tentative, steps towards the labour market. Improvements in 'soft' outcomes, such as an improvement in self-confidence, are under-valued.

To paraphrase Bill Clinton: 'It's the market stupid'. Policies inspired by neo-liberalism and the logic of the market create an incentive structure in which those in most need of the help and support of providers, because they are those with the most complex needs and greatest barriers to employment, are the least likely to generate revenue and so least likely to be served. A far more effective policy response might be to tackle the structural factors, such as employer discrimination, that disabled people face in the labour market, to adopt a more 'holistic' approach that prioritises 'soft' outcomes in employment programmes and, for those further from the labour market, introduce individual budgets so that people and not providers have funding to purchase specialist support (Sayce, 2011).

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