

RADAR'S PRESCRIPTION FOR A HEALTHY DEBATE: DISPELLING 8 MYTHS OF INCAPACITY BENEFIT

RADAR, the UK's leading disability rights organisation, has welcomed the Government's announcements laying out principles for upcoming welfare reform, and is seeking to ensure a positive debate around benefits reform after recent press coverage that benefits claimants should "turn off the TV and get back to work."

RADAR, in an effort to improve understanding about Incapacity Benefit and those who rely on it, has released the truth behind **8 Myths of Incapacity Benefit**. On 10th October 2005 the Government outlined 8 Principles for Welfare Reform. RADAR had previously released 8 key principles it hopes will underpin the programme of reform.³

Kate Nash, Chief Executive of RADAR, said, "It is essential that we have a healthy, well-informed debate over this issue. Misunderstanding and misconception will impede the necessary changes to Incapacity Benefit."

"RADAR is committed to working in partnership with the Government to improve the system for the benefit of disabled people, but we must ensure that the debate is framed positively and in a way that respects the contribution disabled people make to society."

8 Myths of Incapacity Benefit

- Myth 1: People on Incapacity Benefit are lazy and watch TV all day.
- Myth 2: People on Incapacity Benefit are fraudsters.
- Myth 3: People on Incapacity Benefit could get a job if they really wanted one.
- Myth 4: People on Incapacity Benefit are living a life of luxury.
- Myth 5: People on Incapacity Benefit already get lots of help from the Government.
- Myth 6: Employing disabled people is expensive; only big companies can afford to do it.
- Myth 7: Disabled people are less productive than non-disabled employees; they should stay on Incapacity Benefit.
- Myth 8: All we need are more ramps in the workplace, and disabled people will be able to go to work.

Myth 1: People on Incapacity Benefit are lazy and watch TV all day.

The truth of the matter...

Many of the 1.7 million people on Incapacity Benefit (or 2.7 million including those on Severe Disablement Allowance and Income Support) are going through the process of rehabilitation after acquiring their impairment. This process would be made easier if they were able to work

with their current employers on how to make the adjustments necessary to allow them to return to work when they are able.

The reform of benefits needs to take into account that many disabled people may not be able to return to work on a full-time basis, and many on Incapacity Benefit may be involved in contributing to society through voluntary work.

It is essential that the new Incapacity Benefit scheme recognises the valuable contribution disabled people make to society through various avenues including non-paid work. It must also recognise that over a million people on Incapacity Benefit have indicated that they WANT to work, but need support to do so.

Myth 2: People on Incapacity Benefit are fraudsters

The truth of the matter...

The House of Commons Committee of Public Accounts recently published the "Fraud and Error report in benefit expenditure" which claimed that the DWP lost an estimated £3billion out of a total of £109bn expenditure to fraud in 2003-04. ⁴

It is important that this not be automatically taken as evidence that people on Incapacity Benefit are fraudsters.

In reality, fraud among people claiming Incapacity Benefit accounts for less than 2% of the Department for Work and Pension's total expenditure on benefits. Fraud accounts for no more than £20m, with over £90m being wasted through errors that are not the fault of claimants.

It should also be noted that a crackdown on fraud in 2004 reduced the total amount of benefit fraud by £500 million, but the amount of money lost on errors increased by roughly the same amount. ⁵

Myth 3: People on Incapacity Benefit could get a job if they really wanted one.

The truth of the matter...

Between 80 and 90% of people starting on Incapacity Benefit wish they could go back to work. ⁶ Clearly we want jobs. So what is stopping us?

In spite of the passing of the Disability Discrimination Act in 1995, removing barriers to full participation and seeing the benefits of this significant legislation will take time. There are further barriers to employment for disabled people that must be overcome:

- Only 59% of disabled people with a higher education qualification are in employment, compared with 89% of non-disabled people.
- Of those with no qualification, 24% of disabled people are in employment compared with 66% of non-disabled people.
- Disabled people are twice as likely as non-disabled people to have no qualifications at all ⁷

Myth 4: People on Incapacity Benefit are living a life of luxury.

The truth of the matter...

Disabled people are nearly three times as likely as non-disabled people to be economically inactive, and current levels of benefit do not support their needs.

Disabled people face additional costs for mobility and personal support, communication services and assisted technologies. Costs incurred weekly for this support can range between £389 for a person with low-medium needs, to £1,513 for a person with high mobility and personal support needs. The weekly income of a disabled person solely dependant on benefits (including Disability Living Allowance and Incapacity Benefit) is £200 **less** than the amount required for them to live an acceptable, equitable life.

Research from the Joseph Rowntree Foundation shows that benefits meet only:

- 28% of the costs of people with low-medium needs
- 30% of the costs of people with intermittent/fluctuating needs
- 35% of the costs of deaf people and people with visual impairments
- 50% of the costs of people with high-medium support needs.⁸

Myth 5: People on Incapacity Benefit already get lots of help from the Government.

The truth of the matter...

Although there are a number of successful programmes (Pathways to Work, Access to Work, Workstep) in operation, receiving this assistance is a postcode lottery. The Government has indicated that under the new reforms Pathways to Work will only be rolled out to one third of the country⁹, and no further funding will be provided for Access to Work.

There is also a need to ensure better access to information about what support is available as disabled people are often unaware of their options. At present there is only a 3% take-up of support under the New Deal for Disabled People¹⁰, largely due to a lack of promotion of the programme. Further training of Job Centre staff to increase knowledge about these programmes would assist in helping many people into employment.

Kate Nash, Chief Executive of RADAR, says, "The reforms must focus on ability, not disability, and avoid cherry-picking from those already closest to the labour market who need only a small amount of assistance to return to work."

Myth 6: Employing disabled people is expensive; only big companies can afford to do it.

The truth of the matter...

There are approximately 600,000 disabled people working successfully in small businesses across the UK¹¹, so clearly it is possible for small companies to make the necessary adjustments to recruit disabled employees.

The case for employing disabled people is increasingly compelling, as organisations with experience of managing disability in the workplace report that they are better able to minimise stress and sickness in their wider workforce, reduce unnecessary medical retirement and costs associated with work related injuries, and mitigate against negative publicity and litigation.¹²

The myth that only big companies can afford to employ disabled people comes from the false belief that employing disabled people is expensive. In reality, approximately 60% of employers with less than 50 employees incur no additional costs upon employing a disabled person, and the average cost for the remaining small employers is less than £80.¹³

The Government runs the Access to Work programme which can cover up to 100% of costs for reasonable adjustments required to employ disabled people. The programme can help with costs for recruiting and employing disabled people, and can also be used to help those who become disabled during their employment. Access to Work funding can cover costs for:

- Assistive technology to help disabled people in the workplace;
- A support worker for those with sight impairments, learning disabilities, or mobility problems;
- Hiring an interpreter to remove barriers to communication at interview;
- Adaptations to premises and equipment;
- Help with additional travel costs for those unable to use public transport.

Myth 7: Disabled people are less productive than non-disabled employees; they should stay on Incapacity Benefit.

The truth of the matter...

There is absolutely no evidence to support this myth. Only 1 in 10 small business owners believe that disabled employees are less productive than non-disabled staff.¹⁴

In fact, employers of disabled people have found that disabled employees bring transferable problem solving skills to the workplace from their own experiences, have better work attendance records, are less likely to be involved in accidents at work, and remain with employers longer than the average employee.¹⁵

Kate Nash, Chief Executive of RADAR, says, “The Government must continue to provide support to employers as well as disabled employees to encourage a change of attitudes towards employing disabled people. Workplaces benefit from a diverse workforce, and we all have an obligation to work together to improve social inclusion and achieve equality.”

Myth 8: All we need are more ramps in the workplace, and disabled people will be able to go to work.

The truth of the matter...

Less than 5% of disabled people in the UK are wheelchair users. A wider societal understanding of disability is required that focuses on the individual's needs and abilities. RADAR is urging the Government and employers to develop a greater understanding of fluctuating conditions, and hidden disabilities including mental health conditions and learning disabilities.

The 2004 Labour Force Survey shows that 51% of all disabled people are employed, but only 31% of those with mental illness, and 26% of those with learning disabilities are employed. This is in comparison to 54% of disabled people with sight impairments, and 66% of people with hearing problems in employment.¹⁶

ENDS

Notes for editors:

¹ RADAR is a national non-governmental disability organisation working for the rights of disabled people, from the broadest range of cultural, racial and social backgrounds, irrespective of their impairment. Although RADAR works with organisations of all types (of and for disabled people) RADAR itself is an organisation of disabled people.

² RADAR's vision is about pushing out the boundaries of the expected; a vision of a world where human difference is routinely anticipated, expertly accommodated and positively celebrated.

³ For a full copy of RADAR's 8 Principles for Welfare Reform contact Erin O'Brien on 020 7566 0119 / erin.obrien@radar.org.uk

⁴ House of Commons Committee of Public Accounts "Fraud and Error report in benefit expenditure" report 2005.

⁵ David Hencke, Guardian, 8th March 2005, "£500m saved in benefits fraud crackdown".

⁶ Lord Hunt of Kings Heath, Oral question, House of Lords, 11 October 2005

⁷ The Employers' Forum on Disability provides key statistics regarding disabled people and employment: www.employers-forum.co.uk

⁸ The research supporting this release can be found at:
<http://www.jrf.org.uk/knowledge/findings/socialpolicy/054.asp>

⁹ Announced in the HM Treasury Pre-Budget Report, 2 December 2004.

¹⁰ Take-up rates of the New Deal for Disabled People range between 1.9% and 4% reported by the Department for Work and Pensions. For more information see:

www.dwp.gov.uk/jad/2004/199rep.pdf AND

www.dwp.gov.uk/mediacentre/pressreleases/2004/nov/tables30-11.pdf

¹¹ Disability Rights Commission, "Retaining Disabled Employees in Small Businesses." 2005.

¹² Employers' Forum on Disability, "Unlocking Potential", 2000.

¹³ Disability Rights Commission, "Retaining Disabled Employees in Small Businesses." 2005.

¹⁴ Disability Rights Commission, "Small Employers' Attitudes to Disability" (a survey of 1,000 small employers in Britain conducted by Opinion Research Business).

¹⁵ Employers' Forum on Disability, "Unlocking Potential", 2000.

¹⁶ Labour Force Survey, Autumn 2004.

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