

NDTi Insights give you the most important bits of learning from a piece of work by the National Development Team for Inclusion (NDTi). We aim to make them quick to read; they point to more detailed materials for those who want more information.

Employment support for disabled people: the relationship between investment and outcomes

Who should read this?

This paper has been written mainly for people who are responsible for commissioning services designed to help people with mental health problems and people with learning disabilities to get and retain paid work. It will also be of interest to providers of employment support, people with learning disabilities and mental health conditions and their families / carers.

Background and Purpose of Report

NDTi was commissioned by the School for Social Care Research to study the cost effectiveness of investment in employment supports for people with learning disabilities and with mental health problems by local authorities and NHS partners. An initial scoping review by NDTi described the existing evidence base. This *Insight* summarises research by NDTi that has produced new evidence on the cost effectiveness on different types of employment support, and the conditions that need to be in place to successfully implement effective employment support.

Plain English summary

NDTi were asked to find new information from councils and the NHS about what works best when investing money to support disabled people into work.

We found that only some of this money is spent in a way that we know works. When money is spent on employment support that works, it costs less and supports more people to get or keep work. We also found that the size of a provider organisation doesn't matter. The level of impairment someone has doesn't affect the chances of someone getting or keeping work, or how much it costs to support them into a job.

There are some councils who are doing what is needed to give disabled people the best chance to get or keep work.

Main findings

Overall levels of spend on employment support have levelled off and are beginning to decline after a period of growth in recent years. Most commissioners have basic financial information about overall spend on employment support, but limited knowledge on what those budgets are used for. In addition, commissioners generally did not have data on key outcomes achieved such as the number of hours worked per week, types of jobs achieved, levels of pay or length of job retention.

There is good evidence Individual Placement and Support (IPS) (in mental health services) and supported employment (in learning disability services) are the most effective ways of supporting people to achieve paid work outcomes (henceforth "evidence-based models"). There is little or no evidence to support other service models currently being used by commissioners: only around one third of spend is invested in these evidence-based models.

We analysed the relationship between spend on employment support services and the number of people securing new jobs, actively retaining jobs or moving into self employment - summarised as "cost per job outcome". We did this for both evidence-based sites and for all sites and found significant differences, presented in Table 2 overleaf.

We also explored other variables that might influence costs. Firstly, there was no evidence of benefit from economies of scale, with small services having similar costs and success in achieving a job outcome as large services. Secondly, there appears to be no relationship between the complexity of disability of those supported by the employment service and either cost or



Further NDTi Insights

Also available:

Insights 17: Employment Support for Disabled People: Early Findings

Insights 14: A review of the Economic Evidence Around Supported Employment

Insights 7: Prevention that works

www.ndti.org.uk/publications/ndti-insights

This report

A copy of the full report is available via our website:

www.ndti.org.uk/major-projects/current/employment-support-for-disabled-people

For more information on our work on employment, please visit the NDTi website:

www.ndti.org.uk/what-we-do/employment-and-paid-work

For more information on our employment work, please contact Bill Love at NDTi on 01225 789135 or bill.love@ndti.org.uk

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Table 2: Comparing evidence-based and all sites: costs and outcomes

	Range	Average
Cost per person supported		
Evidenced-based sites	£366 to £2,281	£1,170
All sites	£165 to £10,000	£1,730
Costs per job outcome		
Evidenced-based sites	£870 to £4,908	£2,818*
All sites	£208 to £57,640**	£8,217
Job Outcome Rate		
Evidenced-based sites	22% to 62%	43%
All sites	0% to 100%***	38%

* Analysis of our range of costs indicate learning disability services are at the top end of this range and we believe that, as they are all LA in-house services, are not full-cost recovery. Therefore the guide figure for cost per job outcomes for learning disability services is likely to be a bit higher than this figure suggests.

** Two services achieved no job outcomes and thus had an infinitely high average cost outcome

*** The extreme high figures relate to atypical services (i.e small, only for people with learning disabilities and appearing to be focused solely on job retention)

outcomes achieved. Finally we found no strong indication that it costs more to secure a new job than retain an existing job. Whilst evidenced-based sites achieved good outcomes by focusing equally on retention and new jobs, non-evidence based sites that are achieving higher numbers are generally doing so by focusing more on retention.

Through the qualitative elements of this research, we identified five clear organisational/system ‘conditions’ that need to be in place to achieve good, cost-effective outcomes which, when set alongside the use of evidence-based models, should enable the achievement of job outcomes at a reasonable cost. These are: (1) Shifting the culture and prioritising employment; (2) Defining what is meant by employment; (3) Agreeing a strategic plan to deliver employment for people with disabilities; (4) Using knowledge of best practice to develop the market; and (5) Establishing systems for measuring performance.

Conclusions and key messages

This research has identified a significant variability in the cost of employment support services and costs per job outcome achieved that cannot be explained by factors such as complexity of people’s disability or size of service. The study therefore concludes that variable cost and outcomes is primarily explained by one or both of: (1) service model being used (right model); and (2) organisational/strategic actions taken (right conditions).

The capacity of local authority and NHS commissioners to apply the right model in the right conditions is significantly being undermined by commissioners not having and/or using the necessary data and by a lack of understanding of the evidence about what works in employment support.

In a time of tight public finances, this research shows existing investment in employment support could be used to deliver much higher numbers of new or retained jobs for disabled people at significantly lower average costs than is presently being achieved. This could be done by working to evidence-based models – Individual Placement & Support for people with mental health problems, and Supported Employment for people with learning disabilities.