

Bridging the disability employment gap: How to harness social entrepreneurs

**UnLtd report for the Minister of State for Disabled People,
Health and Work**

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Introduction

UnLtd – the foundation for social entrepreneurs – has seen first-hand the vital role that social ventures’ innovations have played in the progress towards the Government’s current disability employment goal. We welcome the Secretary-of-State for Work and Pensions announcing the development of a new and more ambitious goal for disabled people to find and stay in work, but of course, it is vital that a solid plan to achieve it is also developed. This is why we undertook work in April to identify how social entrepreneurs can be harnessed to achieve the more ambitious goal.

With support from DWP and our partners at Scope, UnLtd convened a roundtable of social entrepreneurs, civil servants and other key stakeholders at Caxton House. The name and expertise of each organisation involved is listed at the end of this document.

By gathering the insights of each organisation at the roundtable, we were able to identify ways to ensure that more social entrepreneurs can start and scale-up innovations to reduce the disability employment gap. This document summarises the insights and the resulting recommendations that sit within five key themes: data, funding, support, procurement and recognition. We look forward to your considered response.



How to harness social entrepreneurs to bridge the disability employment gap

Data

Significant, albeit gradual progress has been made towards achieving the Government’s 2017 goal to see one million more disabled people in employment by 2027. Nevertheless 24% more disabled than non-disabled people are still not working when they could do so. If a more ambitious goal is to be achieved, the smartest and most sustainable approach will be needed. Data can play a key role in guiding efforts to reduce the disability employment gap if social entrepreneurs are able to utilise it.

The roundtable afforded social entrepreneurs a rare opportunity, currently too rare, to see analysis of data that could guide them to provide even more successful employment support to disabled people. For example, analysis by UnLtd revealed which disability type and socio-economic characteristics are associated with the lowest employment rates (fig. 1 and fig. 2).

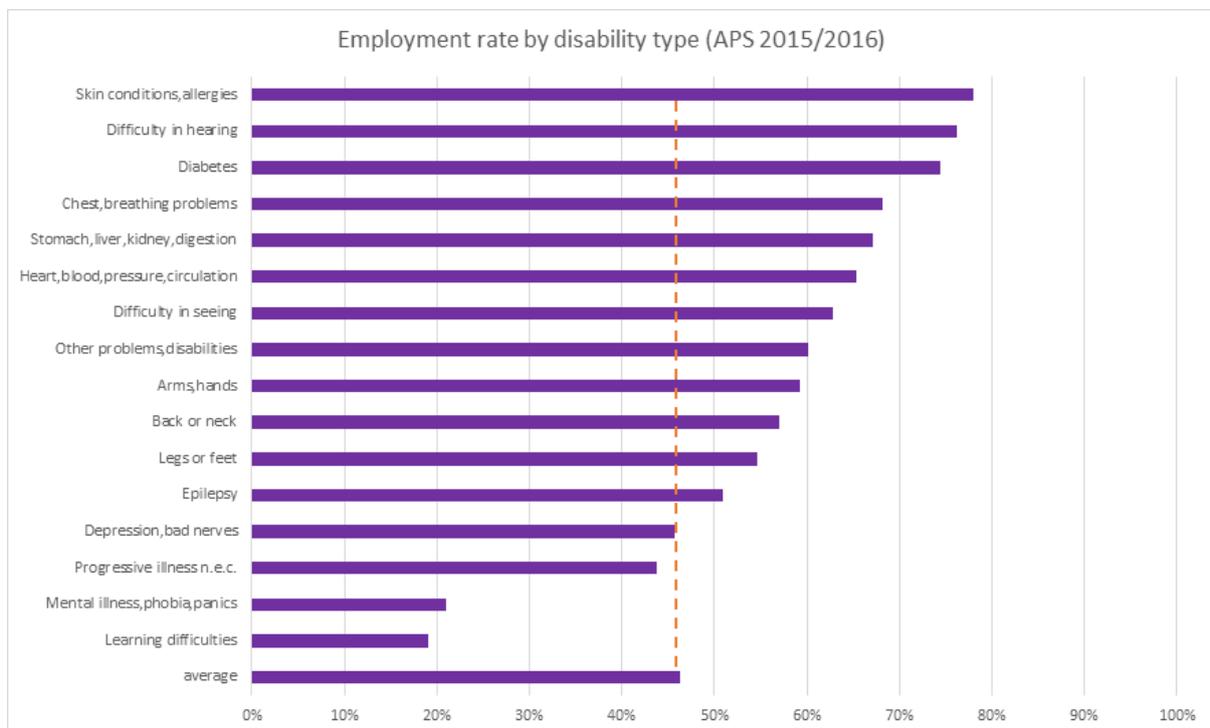
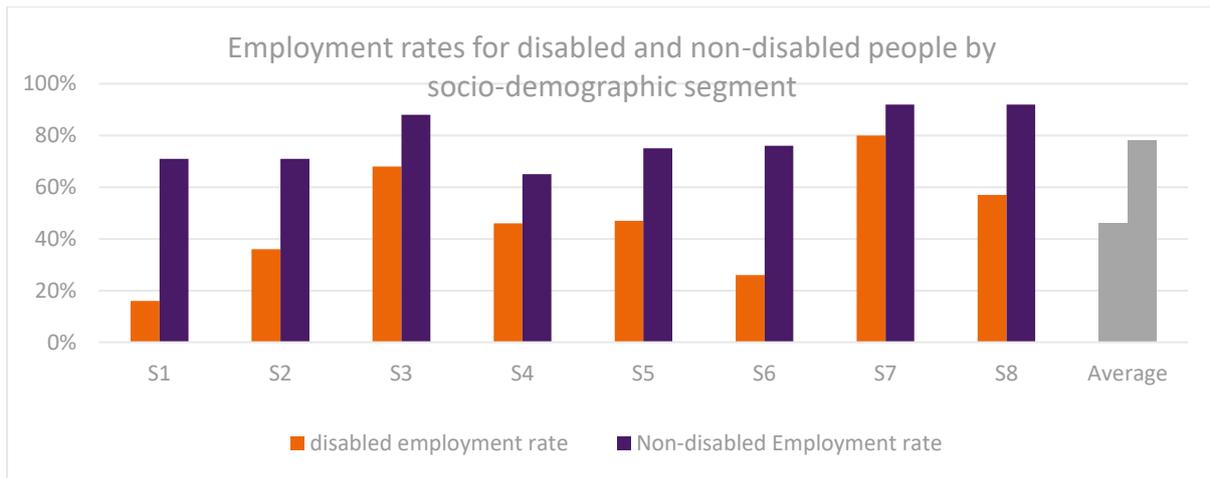


Fig. 1: Employment rate by disability type. Data source: Annual Population Survey 2015/2016



Sref	Segment type
S1	In social housing with mental health conditions
S2	In social housing without mental health conditions but with another disability
S3	In a rented or owned house with higher-level qualifications and aged between 16 - 55
S4	In a rented or owned house with higher-level qualifications and aged between 56 - 64
S5	In a rented or owned house with lower-level qualifications and 1 or 2 health conditions
S6	In a rented or owned house with lower-level qualifications and 3+ health conditions
S7	In a mortgaged house with 1 or 2 health conditions
S8	In a mortgaged house with 1 3+ health conditions

Fig. 2: Socio-demographic differences in employment rate for disabled and non-disabled people. Data source: DWP / Department of Health 'Work, Health and Disability Green Paper Data Pack' October 2016

The roundtable agreed that this analysis, as well as other analyses, could guide social entrepreneurs to start and scale-up their ventures to meet the most pressing underlying disability unemployment needs. At the moment this is not possible due to a lack of data coming from Job Centres upwards on e.g. the geographical concentration of people on Education Health and Care Plans (EHCP). This can be addressed:

- **Recommendation 1: Government to mandate maximum release of the latest data relevant to disabled people, with minimal delay after collection.** This will enable social entrepreneurs to design innovations across the UK in response to changing needs. Examples of helpful data that could be released include: (i) Annual Population Survey (APS) data on different disability types listed by local authority and constituency, (ii) Labour Force Survey (LFS) disability data listed by region, (iii) Adult Social Care Outcomes Framework (ASCOF) indicator data on employment rates by disability type, (iv) details of Disability Confident employers listed by local authority, constituency and/or region, and (v) trend analysis for all of the above.
- **Recommendation 2: Government to convene social entrepreneurs, businesses, other service providers and disabled people periodically to consider what action to take in response to analysis of the latest data.** All providers, including social entrepreneurs, will then be enabled to build the knowledge and connections needed to create and replicate the most impactful interventions. UnLtd and other organisations could connect DWP to relevant social entrepreneurs as part of this.

Funding

Analysis of current data suggests that particular aspects of disability unemployment are crying out for innovations that social entrepreneurs have a proven track record of generating, with the right support. For example, fig. 2 shows that disabled people with mental health conditions in social housing, and those with three or more health conditions who don't own their own home, are particularly under-employed. DWP has also acknowledged a need to improve the supply of disabled people flowing into work from benefits, based on its analyses.

These challenges will be met if current and future social entrepreneurs are backed to take them on. The roundtable generated the following ideas on how social entrepreneurs can best be backed:

- **Recommendation 3: Ensure that providers of the New Enterprise Allowance encourage disabled applicants to consider using their lived experience to start-up a social venture that bridges the disability employment gap**, referring them to UnLtd where appropriate. DWP could also explore other additional ways to increase disabled people's awareness of UnLtd and Access to Work, for example, more generally. One in four people joining the New Enterprise Allowance have declared a disability, totalling 49,770 individuals between April 2011 and December 2018, but UnLtd has largely not come into contact with them.
- **Recommendation 4: Government to consider leading a UK-wide start-up to scale-up innovation and investment initiative to bridge the disability employment gap**. Start-up initiatives could include the creation of hubs for social entrepreneurs to support disabled students to become entrepreneurial. An accelerator would enable more social ventures to grow significantly. Networking, partnership-building and social investment support would then enable ventures to truly scale. Application processes would be co-designed with social entrepreneurs to ensure they are as inclusive and accessible as possible.

An evaluation of a previous UnLtd accelerator showed that social ventures improved the lives of nearly 700 more people on average within their first-year post-programme. UnLtd would value the opportunity to prepare options for DWP's consideration after Summer recess, when it will be possible to share evidence of the impact achieved by its 'Thrive' accelerator with Scope, its Impact Fund and its early stage awards, as well as its emerging work with the Government's Inclusive Economy Partnership. Consideration at this moment could prove timely as the Government completes its Comprehensive Spending Review.

- **Recommendation 5: Strengthen incentives for employers, including social entrepreneurs, to recruit, train and retain disabled people**. Roundtable attendees shared several stories of disabled people who were reluctant to find work out of a fear of losing benefits and becoming worse off overall. Despite the fact that disabled people face an additional £583 in costs per month on average according to Scope¹, analysis shows that they are paid significantly less than non-disabled workers (fig. 3).

¹ [Disability Price Tag policy report 2019; Scope](#)

The Extra Employment Support Grant (EESG) 2019 Proof of Concept, part of Access to Work, is an important opportunity to increase disability employment by the growing social venture sector, which already employs two million people. Such grants are needed, alongside cost-cutting initiatives such as Diversability Card², to ensure that disabled people feel confident that work will be more rewarding. A Business Rate reduction for businesses that employ a representative proportion of disabled people could also: (i) incentivise greater action to reduce the disability employment gap, and (ii) ensure greater profitability.



Fig. 3: Wage gap for disabled workers. Data source: Annual Survey of Hours and Earnings 2016

² Further information about Diversability Card is included in the concluding section.

Ignition Brewery is based in South London. We brew great beer, and what makes us distinctive is that our staff team have learning disabilities.

Our staff are involved in all aspects of the brewing and bottling process as well as sales in our new taproom which opened in September 2018. Ignition shows that our team's talents can create a sustainable business and the more beer we sell, the more jobs we create.

UnLtd were the initial 'angel investors' giving me a 'Do It' award to set-up the business and create a product range. Since then, Ignition has won a 'Grow It' award to expand operations further into our own premises. The flexibility of the funding – which could be spent on any element of the business that helped it to grow and thrive – was key to the development of Ignition into a successful, sustainable social enterprise.

Ignition recently hosted a strong mix of local stakeholders in Lewisham - identifying new ways to untap the potential of more disabled people in the area – and we are planning to take practical steps to reduce the disability employment gap in Lewisham as a result.



Nick O'Shea, Ignition Brewery

Support

An imperative feature of an accelerator (recommendation 3) would be the bespoke advisory support - alongside the investment - provided to social entrepreneurs who are ready to scale-up. But the roundtable also identified a need and opportunity to strengthen support for social ventures at other stages of development too.

- **Recommendation 6: Connect Disability Employment Advisers, work coaches and other appropriate Jobcentre, agency, local authority, academy / Special School staff and Further / Higher Education institutions to relevant social ventures.** These connections would help ensure that every disabled person from school age upwards is aware of the support and opportunities available to them. Connections would also help social entrepreneurs to innovate even more dynamically in response to changing policies and needs.

DWP could utilise other Departments' networks in addition to its own, such as the Department for Education's, to access the people that social entrepreneurs really want to collaborate with to reduce the disability employment gap. DWP could play a convening role to foster connections between people – perhaps online and as part of the periodic events proposed in recommendation 2.

- **Recommendation 7: Support the piloting of a knowledge transfer scheme to give more social entrepreneurs the flexible, high-skill resource needed to grow impact and inspire others.** The roundtable identified a shortage of commercial knowledge in social ventures, which is short in supply and typically comes with salary and hours requirements that few can risk committing to. If relevant experts from business and academia could commit to a secondment or take a seat on the Board of a venture, social entrepreneurs could scale-up and bridge the disability employment gap faster. Through their participation in this scheme, experts would also learn more about what they can do in their workplace to increase disability employment.

Ministerial support for this recommendation, along with introductions to relevant contacts in BEIS and beyond, would help UnLtd to deliver this recommendation.

Diversity and Ability (DnA) is a disabled-led social enterprise working to boost the inclusion of disabled adults in higher education and the workplace. Through specialist 1-2-1 support and organisational wide training and consultancy, DnA supports individuals to thrive and shows organisations how to be inclusive and reap the rewards of increased diversity.

DnA believes cultural shifts around hidden differences, in particular, can dramatically turn the dial on workplace disability disclosure and retention rates. DnA are reducing the disability employment gap and also turning the tide on the social exclusion of disabled homeless people, through the provision of tailored digital inclusion training sessions using assistive technologies. This tackles recurring homelessness and creates sustainable pathways out of homelessness to education, work and shelter.

DnA are particularly keen to highlight the importance of an authentic, intersectional approach to supporting disabled people. DnA deliberately and purposefully involves disabled adults in the provision of support, meaning support is relevant to the needs of the client and genuinely empowering.



Raphaele von Koettitz, Diversity and Ability (DnA)

Procurement

The Government has already made the welcome announcement that its procurements will soon be required to take social and economic benefits into account in certain priority areas, including disability employment. Social entrepreneurs at the roundtable agreed these reforms could play a significant role in enabling them to scale-up innovations that reduce the disability employment gap. However, they cautioned that action would need to be taken to ensure the reforms work as intended. They proposed the following in particular:

- **Recommendation 8: Promote initiatives, such as Capacity Lab³, to provide risk sharing and risk reduction mechanisms for social ventures to form delivery consortia.** Assuming contracts cannot be unbundled, action will be needed to ensure that social entrepreneurs can share the risks that would otherwise deter them from proposing to scale-up and compete with large providers. Events, such as those proposed in recommendation 2, would give social entrepreneurs access to the networks they need to start collaborating with others to create new consortia.
- **Recommendation 9: Ensure that social value is constantly and proportionally monitored throughout the tender process and resulting contract delivery.** This would ease a concern shared by social entrepreneurs, based on their experiences so far, that a large provider could use them as 'bid candy' to win a contract and then fail to fulfil their social value commitments.

With the Cabinet Office due to issue a response to its Social Value in Government Procurement consultation during the Summer, it would be beneficial to meet again after Summer Recess to review recommendations 8 and 9, and update on the much-hoped implementation of the other recommendations in this report.

³ Capacity Labs was founded in 2015 by partners Catch22, Interserve PLC, Big Society Capital and Amberside Advisors. They work in the public sector space, supported by public investment, to bring public, private and third sector organisations together through a common goal: to rethink and reimagine how public services are delivered. They work with (i) community organisations to build capacity so that they can participate in procurement as well as with (ii) commissioners to create new products community organisations can bid for.

Recognition

Many representatives at the roundtable shared the view, based on their experience, that the Government should adopt more interventionist ‘stick’ policy measures, rather than rely on lighter touch ‘carrot’ approaches that have not achieved as much impact as attendees desired. A way forward might be to set SMART short-term objectives allied to the emerging disability employment goal for ‘carrot’ initiatives, with a plan to introduce ‘stick’ measures if objectives are not met.

The launch of the Social Enterprise Disability Employment Mark (SEDEM) and equivalent local authority mark (LADDEM) were welcomed as initiatives that recognise and incentivise good disability employment practice. In addition to the recommendations already stated, attendees felt that additional action should be attempted to encourage cultural change across the economy as a whole. Overall priorities, based on current evidence such as fig. 4, would be to build a greater understanding of the injustice of the disability employment gap in terms of both the quantity and quality of jobs.

- **Recommendation 10: Involve social entrepreneurs in the next phases of the #DisabilityConfident campaign and show how they support Disability Confident employers to access and retain disabled people’s talents.** The Government could state that if the next phases of the campaign do not fully achieve their desired impact on the quality and quantity of jobs created, it will explore more interventionist measures to achieve its more ambitious disability employment goal.

What makes a quality job?



Fig. 4: UnLtd analysis of what makes a quality job from the perspective of disabled people. Source used for analysis: Carnegie Trust ‘Measuring Good Work’ report 2018

Roundtable contributors

The roundtable benefited from the input of an array of experts with experience in bridging the disability employment gap. The following table briefly summarises the important work of the attendees.

Organisation	Work to reduce the disability employment gap
BearHugs	BearHugs offers remote, flexible paid employment to people from the vast untapped pool of talent that, for various reasons (health-related and otherwise), is unable to thrive in a standard office environment or within a rigid 9-5 working schedule.
City of London	The City of London Corporation's charitable funder, City Bridge Trust, has pledged its commitment to narrow the disability employment gap with the Bridge to Work programme, which provides £3.3million of funding to a range of organisations tackling the issue in the capital.
Diversability Card	Diversability Card is an official discount card for people with disabilities in the UK, helping to reduce the extra costs that people incur as a result of their disability.
Diversity and Ability (DnA)	Disabled-led social enterprise, Diversity and Ability, supports disabled individuals to thrive and supports employers to create inclusive workplaces where diversity is valued, boosting the recruitment and retention of disabled staff. Results are achieved through 1-2-1 support alongside organisational wide consultancy and training, specialising in assistive technology.
DWP Disability and Work Opportunities Division	The Division's Head, Hugh Pullinger, informed other roundtable attendees about relevant DWP initiatives, such as Disability Champions, Disability Confident, and the New Enterprise Allowance.
ERSA	The Employment Related Services Association (ERSA) support and challenge employment support providers to increase skills, knowledge and effectiveness.
Evenbreak	Evenbreak - run by and for disabled people - offers a specialist job board, helping inclusive employers attract talented disabled candidates. It also promotes the benefits of employing disabled people, and helps organisations become more accessible and inclusive.
Exceptional Individuals	Exceptional Individuals is the first employment partnership for dyslexic and neurodivergent people. They work with employers, schools, colleges, universities, youth centres, dyslexia charities and other organisations to find talented individuals and support them to excel.
Ignition Brewery	Ignition brewery makes great beer for the discerning residents of South London. What makes Ignition distinctive is that its

	brewers have learning disabilities. They sell their beer to local pubs and businesses, as well as running their own successful taproom. Ignition recently won Foodism's 'Bar of the Year Award' and hosted the London Brewers' Alliance AGM in March. Their revenue enables them to pay the London Living Wage to their team. Ignition's core aim is to demonstrate that its employees have the talents required to make a business success story. There are plans to expand operations by opening a new brewery site and several taprooms.
Innovate UK	Innovate UK support businesses to develop and realise the potential of new ideas, including those from the UK's research base. New ideas currently being supported include a new mobile app to help people with a disability to meet the challenges of using public transport.
Little Gate Farm	Little Gate enables adults and young people with learning disabilities and/or autism to fulfil their work potential. This entails pre-employment training, work experience and routes into work through Supported Employment.
Miss Tilley's Community Cafe	Miss Tilley's is a community café in Wales that provides opportunities for young people with additional needs.
MySupportBroker	Since 2010, MySupportBroker (MSB) has recruited and trained over 600 people. All have moved into employment with MSB or its customers. MSB delivers accessible online learning to the health and social care sector. MSB's model of peer-to-peer support drives online course content, teaching and employment support.
Passion4Social	Scotland-based Passion4Social (a Community Interest Company - CIC) connect creativity and inclusion, confidence and potential, digital skills and people. Sustainable employment opportunities for all is their goal. They are creating and making their own story where everyone can be the hero.
People's Health Trust	By funding and supporting resident-focussed approaches, the People's Health Trust works to address the underlying structural causes of health inequalities.
Scope	Scope is the disability equality charity for England and Wales. They campaign to create a fairer society, provide practical information and support, and contribute funding to initiatives such as UnLtd's Thrive accelerator, which is supporting social entrepreneurs to scale-up innovations that bridge the disability employment gap.
Social Enterprise Mark	Social Enterprise Mark CIC provides the only internationally available accreditation for social enterprises. They worked with DWP and the Supported Business Steering Group to develop a specialist accreditation which aims to provide assurance that Supported Businesses and social enterprises are exemplar employers of disabled people. The new Social Enterprise

	Disability Employment Mark (SEDEM) and equivalent Local Authority Disability Employment Mark (LADEM) build on the principles of Disability Confident.
Supported Business Steering Group (SBSG)	SBSG is made up of leading Supported Businesses and stakeholders. It is working with DWP to protect the employment of nearly 2000 disabled people employed within the sector. Being instrumental in the development of the Transitional Employment Support Grant (TESG), introduced in April 2019, SBSG is now engaged in the development and roll out of the Extra Employment Support Grant (EESG) due to enter Proof of Concept (PoC) stage in September 2019. This work encompasses the potential for at least a further thousand transitional employment opportunities p.a. for disabled people.
The Camden Society	The Camden Society campaigns for and runs services across London and Oxfordshire that generate new person-centred opportunities for people with disabilities.
Virgin Media	Virgin Media has joined forces with Scope to support a million disabled people to get into and stay in work by the end of 2020 via the #WorkWithMe campaign. They have also developed a new buildings accessibility standard, a new online font better suited to people with dyslexia, and created a new disability awareness module for their staff.