

Cyflwynwyd yr ymateb i ymgynghoriad y Pwyllgor Cydraddoldeb a Chyfiawnder Cymdeithasol ar Anabledd a Chyflogaeth

This response was submitted to the Equality and Social Justice Committee consultation on Disability and Employment

DE27

Ymateb gan: Grŵp Rhanddeiliaid Menter Gymdeithasol | Response from: Social Enterprise Stakeholder Group



Senedd Equality and Social Justice Committee

Inquiry into Disability and Employment

Response from the Social Enterprise Stakeholder Group

The Social Enterprise Stakeholder Group is a multi-member consortium and partnership of organisations support the social enterprise sector in Wales and includes Cwmpas, the WCVA, Social Firms Wales, UnLtd and DTA Wales.

What progress has been made to deliver the recommendations set out in the 'Locked Out' report and to reduce and remove barriers faced by disabled people who want to access Wales's labour market? Why has progress to reduce the employment and pay disability gap has been so difficult to achieve?

We draw on the latest data, which suggests that at 32.3 percentage points the 'disability employment gap' in Wales is higher when compared to the UK as a whole (29.8 percentage points).¹ This gap has remained consistent over a number of years and suggests that much more needs to be done to ensure our economy and labour market is fully accessible for disabled people.

We also draw on research by Learning and Work Institute Wales, whose research found that there are 146,000 working-age people (or 7.7% of the working-age population) who are economically inactive because of long-term sickness or disabilities.² Wales has consistently has a higher rate of economic inactivity compared to the rest of the UK, and a part of the explanation for this is that our population is older and has a higher level of disability and ill-health. It is clear that Wales needs a specific strategy to support these people into work – for the benefit of their own well-being as well as reducing pressure on public services.

Disability Wales have identified that a key issue is the unwillingness of many employers to implement reasonable adjustments, and a lack of access to resources and legal aid make it difficult to challenge this and protect rights set out in legislation.³ Previous L&W research has shown that only one in ten out of work older and disabled people get help to find work each year across the UK.⁴

This is evidence of a structural problem within the Welsh economy that requires intervention. We need to develop an approach to economic development that is based on well-being – for every individual and our communities as a whole. Currently, the unwillingness of businesses to make reasonable adjustments as set out by Disability Wales can only be a result of an economy and business models that incentivises private profit above all else.

¹ [https://research.senedd.wales/research-articles/access-to-work-for-disabled-people-in-wales/#:~:text=At%2032.3%20percentage%20points%20the,Talbot%20\(44.5%20percentage%20points\).](https://research.senedd.wales/research-articles/access-to-work-for-disabled-people-in-wales/#:~:text=At%2032.3%20percentage%20points%20the,Talbot%20(44.5%20percentage%20points).)

² <https://www.learningandwork.wales/news-and-policy/146000-reasons-to-get-employment-support-right-in-wales-2/>

³ https://www.disabilitywales.org/wp-content/uploads/2022/03/0637-PS_DW-Report.pdf

⁴ <https://learningandwork.org.uk/resources/research-and-reports/understanding-benefits/>

What further policy measures are needed to support disabled people, young disabled people and employers to increase participation rates and what can be learned from elsewhere.

We need to create a just, inclusive economy that is fair and accessible for people with disabilities. This requires models of business that embed fairness, sustainability, democratic ownership and the pursuit of mutual well-being. The 2022 mapping report of the sector in Wales found that social businesses are good employers, with the vast majority offering the Living Wage to all staff and employing people who are further away from the labour market. The survey found that 22 percent of employers who had taken on new employees in the last 12 months reported that these included individuals who were unemployed immediately before taking up the post, accounting for 65 full time roles and 141 part time roles. This reinforces the sector's role in providing employment opportunities for individuals who are further away from the labour market.⁵

What is social enterprise?

A social enterprise is a business with social objectives whose profits are principally used for a good cause, rather than being given to shareholders and owners. Their social, environmental, economic, or cultural purpose is at the heart of what they do.

This can include tackling social problems, fighting against the climate emergency, and improving the environment, building stronger communities, and providing training and employment for those furthest from the labour market. Social enterprises can come in many forms, including co-operatives, mutual organisations, community interest companies, community-owned businesses, trading charities and more. They aim to make a profit but unlike mainstream businesses the profit is reinvested towards business growth, and furthering their social, environmental, economic, or cultural purpose. This purpose is set out in their governing documents and doesn't rely on individuals making good decisions, but is embedded in what the business does and how it measures success.

This is not just an academic idea. There are already many social businesses across Wales creating sustainable prosperity for communities, and many specifically working to ensure access to work for people who were previously outside of the labour market through disability.

One inspiring example is **Elite Paper Solutions**, based in Merthyr Tydfil. They are an award-winning social enterprise and their workforce includes people who had previously been economically inactive, either due to their disability or other circumstances. Since they started in business in 2015 they have engaged with over 300 people with disabilities and those at a disadvantage, many of which have gained paid employment, work experience or volunteer opportunities. This is how they describe their work:

"Providing organisations throughout Wales with the provision of confidential destruction, archive storage, and document scanning, we also see ourselves as a stepping stone, allowing

⁵ <https://cwmpas.coop/wp-content/uploads/2023/04/CWMPAS-SBW-MAPPING-2023-English-FINAL.pdf>

people with disabilities and those at a disadvantage to gain valuable skills & experience at our facility before moving on and progressing within their local community.

The nature of the business ensures that there is a job that will meet every need, irrespective of the person's disability, making it a fully inclusive workplace. Our staff are of varying age, ability and equality of opportunity is a strong ethical focus.

We believe every citizen has a contribution to make, and, given the correct level of intervention and support, enable the improvement in their quality of life, where they are also contributing positively to their communities."

Social Firms Wales is a member of the Social Enterprise Stakeholder Group that has building an inclusive economy at their heart. A social firm is a business that aims to create employment for people with disabilities or other disadvantages in the labour market through the production of goods and services. Social Firms Wales is the National Support Agency that supports social enterprises that want to adopt Social Firms principles and values to create places of work that are inclusive, supportive, enabling and progressive. They want a thriving Wales where every person has access to work, and opportunities where they feel valued, included and useful. There are over 100 Social Firms now in Wales, providing inclusive employment, training and volunteering opportunities to hundreds of individuals, in particular people with disabilities and mental health conditions. Increasingly, Social Firms Wales are also supporting disabled and neurodivergent people with their self-employment goals, helping people to create a working life around their own specific needs.

Case Study

Carmarthenshire Emporium CIC

Liz is dyslexic, has polymyalgia, and has limited digital access. Social Firms Wales tailored its approach to suit her needs, including using WhatsApp and phone calls instead of e-mail and letters, explaining issues clearly, checking understanding at each stage of the process, and devising an innovative declaration method that satisfied requirements and empowered Liz.

"I would have given up without the support from Jan at Social Firms Wales. It has made all the difference to me and the people the Centre helps. Being involved has given unit holders a purpose and positivity, and reduced their reliance on the County's medical and social services"
Liz Green.

What can we do to support social enterprises and social firms to transform our economies to be inclusive of those with disabilities?

- Make social enterprise the business model of choice in Wales. Include the development of the social enterprise and social firms sector as a key part of the strategy to develop labour markets that are accessible to people with disabilities. Grow the number of social enterprises and social firms as a proportion of the wider economy.

- Expand specialist support to social enterprises to grow and maximise their impact across different sectors – whether to expand into providing services specifically for the number of people with disabilities within the labour market, or embedding inclusive practises across economic sectors. This support has been identified by social enterprises as being essential to their success. For example, this is a quote from Andrea Wayman at Elite Paper Solutions:

"The support from Social Business Wales has been invaluable in establishing our business focus, from their hands on practical support to their signposting skills in areas of expertise. Their accessibility has been second to none, assisting and often motivating us in our development. I believe their support is not only beneficial to new, fledgling business, but also those that are established facing challenges, aiding them to implement solutions".

- Embed a well-being economy approach across economic development policy, ensuring that the well-being of people and planet is at the heart of the economic agenda. Responsibility for creating a truly-inclusive economy sits with all government departments, and the Welsh Government and public bodies should be mandated to pro-actively explore how it can play a key role as anchor institutions in the mission of transforming our local and national economies.