

Response by the Association of Disabled Professionals to the "call for evidence" on "Routes from unemployment to self-employment" enquiry

Introduction

The Association of Disabled Professionals (ADP) is delighted to submit evidence to the enquiry on 'Routes from unemployment to self-employment'.

The Association of Disabled Professionals (ADP) is a national networking organisation where disabled people can network with each other. It is the only national organisation of disabled people providing assistance to other disabled people on issues associated with self-employment and entrepreneurship. By this, we mean, 99% of ADP enquiries are answered by disabled people to disabled people and non-disabled people.

Disabled people want, need and benefit from services and support being provided to them by other disabled people. They do so in the same way that many women want services provided and issues addressed by other women.

The ADP has operated the Disabled Entrepreneurs Network(DEN) for three years with Phoenix Development Fund Money from the Small Business Service. We share our experience in this response.

- ***Are links between Jobcentre Plus, the Learning and Skills Council, Business Link operators and other enterprise support organisations at a local level operating effectively to meet customer needs?***

Whilst the business issues of disabled people are common to entrepreneurs everywhere, the way disabled people access help and information differs, as does the preferred reply format and the type of "soft" help needed e.g. advocacy, motivation, risk management, business planning, advice on funding, welfare advice,

'access to work'. Currently, the way in which service providers seek to meet the needs of disabled people fails because of underlying assumptions about stereotypes, social discrimination and lack of empathy which combine to close down channels of communication rather than open them up.

There is a real need for partnership working between the mainstream agencies and fringe specialist organisations such as the Disabled Entrepreneurs Network. There needs to be recognition that not everyone knows the answers and that this should not be recorded as a failure of the advice given. More use of signposting and proper funding of the specialist national agencies are required.

Staff within mainstream agencies outside SBS such as Jobcentre Plus needs more awareness training around entrepreneurship issues, writing business plans, finance, protecting an idea etc. They used to have this in the early 1980s - together with targets for the then Enterprise Allowance. The remit is now with DTI but there is very little information from DTI that passes direct to and from unemployed potential entrepreneurs. To this end we suggest:

- Training is given on disability awareness for all mainstream agencies
 - Consideration is given to a coordinated structure between the mainstream agencies and others to streamline the process of a smoother transition into self employment.
 - Ensuring the availability of assistance after the first six /twelve month period.
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- *Are in-work incentives sufficiently well understood as a means of support to meet the needs of those with a fluctuating and flexible income?*

There does not appear to be any widespread availability of 'better off' calculations, advice about benefits, or grants of specialist

equipment to disabled people whilst self-employed. Indeed enquiries to us suggest none is being given.

Currently the incapacity benefit permitted work rules enable people to earn £72 per week which at 16 hours per week equates the minimum wage at £4.50 per hour. Few people on incapacity benefit will start up in business with this incentive. Flexibility needs to be built in to include the expenses of trading.

Another example of this may be that because of their impairment some clients are able to work for less than 16 hours a week but earn more than the permitted work rules. The working tax credit is applicable to people working 16 hours per week or more. It gives little incentive to those highly qualified people trying to get back to work as self-employed people.

- ***Is there enough information available about self-employment and its financial implications to encourage consideration of starting a business compared to employment?***

From our experience there are many issues disabled potential entrepreneurs need having addressed the top three being:

1. Access to low cost, low risk funding / finance in particular very small funding pots of £100 or more.
2. Access to information written and produced in formats and language they can make use of and provided by other disabled people.
3. Access to high quality, versatile and flexible training accompanied by safe exit from, and guaranteed return to welfare benefit, without penalty over an extended period if the endeavour fails as a result of impairment.

- *Are there any barriers (perceived or otherwise), relating to the support available, which affects the choice of moving from unemployment and employment, into self-employment?*

For various reasons, working for employers is not an option for many disabled people. Consequently many of them are happy to consider self-employment. Unfortunately our evidence shows that disabled people do not get the information on self-employment from mainstream agencies in the format that they need. They often come to the ADP as a last resort.

The ADP has operated the Disabled Entrepreneurs Network for three years with Phoenix Development Fund Money from the Small Business Service. Our experience has shown the following:

- Mainstream funders, providers and stakeholders, who provide services to disabled people, demonstrably fail to understand both the needs of disabled people and the experience of disablement. This leads to failed communication and inappropriate service provision.
- Too often it is assumed that potential entrepreneurs have both the intellect and the education to operate a business. It needs to be understood that not everyone, including non-disabled people, women, black and ethnic minority people and disabled people, has the same intellectual and educational background. When providing information, therefore, it must be remembered that disabled people can have missed out on formal education but still have the requisite intellectual capacity to be successful entrepreneurs. For best practice in communicating with them, see Bryant & Thompson's copyrighted workbook "Considering Self-employment".
- Potential entrepreneurs who are disabled people want immediate access to bespoke advice on an "as and when basis" at anytime of the day or night. (e-systems and telephone)
- Many disabled people want to talk to other disabled people who have experienced a similar situation.

Additional comments

1) Continuous advice after the six/twelve month period of introduction is not easily available or accessible. The Prince's Trust is often able to give advice to people under 35 years but there is little or no provision for those disabled people over 35 years. Such business advice is expensive for a one-person band or fledging business.

2) Currently national organisations offering specialist services appear to have to apply to all the branches countrywide of business links to obtain support for funding. This is an unwieldy way of asking for support, particularly when very small specialist organisations such as DEN are managed by part-time consultants who are in turn managed by volunteers. There should be a central point within SBS and other quangos where very small national organisations such as ours can apply for funding.

3) The labour market survey 2003 shows that the percentage of disabled people in self-employment because of their impairment was 2% higher than that of non disabled people.

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