

Northern Ireland Union of Supported Employment (NIUSE)



Briefing Paper: June 2020

NIUSE is an umbrella organisation representing individuals and organisations providing employment opportunities for disabled people, and people from disadvantaged situations

What is the issue?

NIUSE is concerned about the absence of any clear plan to ensure continuous funding for European Social Fund (ESF) projects after March 2022. ESF is the primary and consistent source of funding for employment projects for people with a disability in NI. This situation is further compounded by Covid-19 and the uncertainty the ongoing pandemic brings to current and future employment / training opportunities for disabled people.

The proposed new UK Shared Prosperity Fund (UKSPF) or other potential funding will replace existing European Structural and Investment Funds, including the European Social Fund (ESF). Administered by the Department for the Economy, the ESF budget is currently £177m for 69 projectsⁱ of which £60.7m is for 22 disability projects. Funding comes from ESF (55%) Department for the Economy (10%); and a range of match funders (35%). These include government departments, Health and Social Care Trusts, local Councils, further education colleges, and private sources.

The disability projects successfully support people to develop the attributes, skills and knowledge needed to participate in further education, vocational training, work experience, paid employment, self-employment, or volunteering (See attached case studies). **In the last two years:**

- **6635** disabled people have benefited across 22 projects
- **17.5%** (1162) progressed into paid employment – this exceeds the 10% target set by ESF
- **54%** (642) remained in paid employment after six months
- **18%** (1193) progressed into training / education on leaving the programme.

The current funding will finish in less than 2 years (31st March 2022). Given that there is still no timetable for consultation on the UKSPF, and a new programme typically takes 3-5 years to develop, urgent action is required. There has been little information to date about what discussions are taking place between relevant NI departments (Economy, Health, Finance and Communities) regarding post-ESF funding and how it will be administered; or what implications Covid-19 will have on future provision.

Why is it important?

- **Disabled people are at risk of poorer social, economic and health outcomes.** They are much more likely to experience isolation and loneliness which impacts on mental health, including through the pandemic.ⁱⁱ Employment is essential in promoting independence and social inclusion, as well as improving confidence and overall well-being.
- **Disabled people face significant barriers in securing employment.** They are more likely than non-disabled people to have no qualifications, and to be unemployed and economically inactive. This is a key issue in NI where the proportion of working age disabled people in employment (35%) is much lower than in the rest of the UK (45-50%).ⁱⁱⁱ

- **Covid-19 may have a disproportionate effect on disabled people:** People with a disability are more likely to need to shield / self-isolate, not just during lockdown but while the virus remains present. Many disabled people are also employed in the hospitality and retail sectors, which are two of the worst affected sectors. It is important to consider that, compared to non-disabled people, those with a disability are twice as likely to remain unemployed when they fall out of work for an extended period.^{iv}

What needs to happen?

It is vital that Government and organisations work collaboratively to tackle the significant challenges posed by Covid-19 for those most vulnerable and disadvantaged, especially when the long term societal and economic impacts remain unknown. Disability employment services under the ESF programme have a critical role to play alongside other interventions in supporting peoples' life chances and emotional well-being. Resourcing and investment in ESF projects must therefore be sustained and protected, supported by a clear plan to ensure disabled people are not disproportionately affected by the pandemic.

Key actions for government include:

- A strategy and action plan to support disabled people into training and employment following labour market disruption due to Covid-19.
- Clarification on future funding arrangements for disability employment projects that are currently delivered through ESF, with assurances that there will be no gap between existing and new funding streams.
- Agree a necessary transition period, which sees the current ESF programme and the delivery mechanism that underpins it extended for a minimum three-year period. Too much time has elapsed to develop a suitable replacement before the end of March 2022; and with Covid-19 likely to present significant challenges to the labour market for the foreseeable future, continuing with a tried and tested programme would ensure some stability for disabled people in terms of accessing training and employment support.
- Powers to allocate funding through the UKSPF must respect Northern Ireland's devolved status and responsibility for social inclusion and economic development.
- Ensure that new funding at least matches the current total ESF resources, and that this is futureproofed for inflation increases.
- Disabled people should be consulted on the priorities to be supported through the UKSPF or alternative funding.

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This briefing is available, on request, in a range of formats.

ⁱ The 69 projects are broken down into the following four categories – unemployment and economically inactive (22), NEET (18), Disability (24) and Community Family Programme (5). The full list of funded projects is available here <https://www.economy-ni.gov.uk/publications/66-european-social-fund-call-2-projects-by-constituency-and-council-area>

ⁱⁱ <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/articles/coronavirusandthesocialimpactsondisabledpeopleingreatbritain/2020-04-24>

ⁱⁱⁱ Joseph Rowntree Foundation (JRF) (2016) A prosperous, poverty-free Northern Ireland. JRF, York

^{iv} Cited in Ulster University Economic Policy Unit (June 2020) Labour market implications of COVID-19: How have restrictions on work impacted different types of workers in Northern Ireland?