

Supporting the development of self employment and small business opportunities for people with learning disabilities

A briefing note for policy makers, commissioners and services from the Foundation for People with Learning Disabilities

## Summary

This briefing is for those responsible for commissioning, arranging or developing employment opportunities for people with learning disabilities. We anticipate it being of particular interest to local authority commissioners and care managers.

The *In Business* project was set up to help people with a learning disability achieve self employment and small business ownership. It sought to capture the journey to enterprise, with particular focus on innovation, business planning and development and service delivery change.

*In Business* piloted a number of sites across England that reflected local authority and voluntary sector settings as well as urban and rural economies.

## Aims

The aims of the project were to:

- identify and develop pilot sites in England
- create a range of opportunities in both rural and urban settings, working with local authorities, colleges and voluntary sector agents
- develop local networks
- raise the awareness of self employment as an option
- link with mainstream business support
- assist with business research and planning
- support people to set up their own businesses
- capture learning, examples of good practice and the effects of business culture on day service modernisation
- produce a step by step guide to the processes involved.

## Making use of the findings

The conclusion of the project coincided with the publication of *Valuing People Now*, which gave a high priority to employment. The cross Government employment strategy, published in June 2009, further emphasises the greater uptake of employment opportunities by people with learning disabilities and recognises the role self employment can have in this.

There are other reasons why commissioners and care managers should pay particular attention to self employment as a route to work:

- previous findings show that, while there are few people with learning disabilities in work, up to 60% of people have suggested they want to work<sup>1</sup>
- the Government's 'personalisation' agenda challenges commissioners to find new ways to plan for and support people with learning disabilities
- performance targets are in place to increase the numbers of adults using individual budgets and direct payments

<sup>1</sup>Emerson, E., Malam, S., Davies, I. and Spencer, K. (2005) Adults with learning difficulties in England 2003/04, London: Health and Social Care Information Centre and Cole, A, Williams, V et al (2007) Having a good day? A study of community-based day activities for people with learning disabilities. London: Social Care Institute for Excellence.

- performance targets are also in place to increase the numbers of adults entering the workplace
- the need to develop new market routes to work to complement supported and customised employment
- approximately 10% of the non disabled working population choose to be self employed.

On the following pages we set out some of the main findings of the project. Based upon what we learned during the project, we make some suggestions about what you can do to put those findings to good use in your area.

The final section provides a selection of resources and links that you may find helpful.

## Key findings

Broadly speaking, people choose self employment for one of three reasons:

- the person chooses to work in a business or sector that generally operates with self employed people
- there is a desire to work for oneself and retain control (the actual business activity can be secondary)
- it is the option of last resort.

Most people engaging with the *In Business* process were doing so because other opportunities did not achieve their desired outcome.

However, there are also some sound structural reasons why self-employment could be the best option for some people with learning disabilities. This includes issues around the National Minimum Wage (NMW) which can be a major issue where the productivity is low or variable. Self employed people are not subject to the NMW. Also self employment can offer an individual the chance

to build up their hours slowly as the business develops and can avoid the (perceived) 'leap' that is required with other routes to work. However, this should never be used as an alternative to higher aspirations about work; a firm focus on working longer hours, earning more and obtaining an active economic life is paramount.

In almost all cases, the establishment of business support circles enhanced opportunities and enabled better support across all aspects of an individual's enterprise. In particular, it was important to include support for:

- general business advice - including feasibility, planning, registration, etc.
- sector specific advice - for example, seeking horticultural expertise to support one man growing plants
- personal/employment support – with knowledge of DWP employment programmes, benefits .

Further, success seemed more likely to occur when an individual's skills, interests or aspirations met a genuine community need or headache. For people with higher support needs and perhaps less understanding of money, this was further strengthened when the incentive to work was not financially focused. In one case a man developed his business with support and was assisted to use his income to purchase his desired leisure and travel activities, thus creating a reason to work without a reliance on his limited understanding of money.

## Innovation

Generally speaking, most of the business ideas owed their inception to day service activity of one type or another. This is hardly surprising, given that many non-disabled people enter self employment via some paid work where they 'learn the ropes', develop networks, learn about the particular sector and identify contracts before deciding to go it alone. People without this experience tended to use their experience in day centres as this reference

point. This led to some limitations in terms of both enterprise and personal development. This was not always the case and exceptions were evident where individuals displayed a desire to develop personal interests or skills.

The development of RED and its website (see links) has enabled *In Business* and partners to publish a range of business ideas for people to browse. There is currently a handful of MEMOs – Micro Enterprise Model Opportunities – with an aim to increase this as each successful venture is captured in the future. This usefully extends the business options available.

Experience has shown that it is also vital to include specific trade or sector support when designing and testing a new business proposition.

## Business Development

Access to decent and appropriate business support enabled people to move their ideas forward. Where this was local and person centred, such as with a business mentor, development was quicker and more robust, with the support geared to the individual.

In some cases mainstream business support did not appreciate or value the contribution of such small business, nor understand support for people with a learning disability. Partnership work with such agencies has proved useful in widening the support available.

Building the capacity of employment staff to spot and test market opportunities has proven useful and has helped to align self employment with other employment initiatives.

## Service Delivery Change

Almost everyone who starts a business needs some sort of support or help to achieve their aims. Most people with a learning disability are going to require some other supports in addition. This merely reflects the experience of the wider employment agenda of building appropriate support structures.

*In Business* took the approach that support should and would come from a variety of places, reflecting the requirements to cover general business, specific sector and personal support needs. Many organisations that were providing day to day support for individuals did not have the capacity to support each person's entrepreneurial effort to the extent required. Individuals received support from a variety of sources.

Clearly the introduction of individual budgets will play a pivotal role in the ways we support people in the future and there is a clear fit with self employment ventures. In Control are very keen to drive the wider employment agenda forward and will include self employment within that. Access to Work funding is available to self employed people, although none of the individual participants applied for this during the life of the project.

Interesting pilots are planned to explore how the 'enterprise support worker' can be incorporated into wider packages of community care provision.

## What commissioners and care managers can do

### **Promote self employment and stimulate interest.**

The promotion of self employment as a legitimate option for people relies heavily on the availability of successful examples. As with other forms of employment promotion, the peer to peer transfer of information and stories can achieve a dramatic uplift in the numbers of people wishing to explore self employment. Ensuring the widespread dissemination of examples will not only promote self employment, but challenge the preconceptions of what a business needs to look like and who can operate one successfully.

The inclusion of self employment alongside the development of social enterprise and supported employment initiatives will further enhance the choice of employment pathway.

**Respect short hours.** Starting a new venture can be scary and for many represents a step into the unknown. For some people this is best managed by slowly growing the business and the required input. Although there should never be an

assumption about limiting the size of the business and the income generated, a valuable contribution can be made in only a few hours per week.

**Get everyone involved to think about the place of business 'risk' and 'failure'.** Most successful business people will have gone down a number of dead-ends before hitting on a successful formula. How long does it take before a business is considered a success? How do we measure effectiveness? How can we support staff to help develop opportunities when they are not always sustainable?

At a time when change and modernisation is key to service development, opportunities lie in creating new and innovative solutions. Self employment can have a dramatic impact on those seeking work and offer the potential to further include people with higher support needs.

**Recognise the need for ongoing support.** Most people need support to set up a business and this is often widely available. There is clearly, however, a need to ensure that support is available in the long term to ensure legal and financial obligations are met, especially around tax and self assessment for HM Revenue and Customs (HMRC).

**Promote Individual Budgets (IBs) and Direct Payments.** People who are eligible for support and their families are best placed to identify the right support for themselves. The recent IBSEN evaluation contained some encouraging messages in this respect<sup>2</sup>. It found that people with learning disabilities using IBs to pay for personal care, domestic help and social, leisure and educational activities felt they had more control over their lives. IBs proved cost-effective for their social care, while people with the highest value IBs achieved the best social outcomes.

**Think business, not project.** All businesses need customers so they need to deliver a solution to somebody or something. This in turn generates an income which in turn can make a business venture viable.

Projects may deliver many effective solutions and offer answers to problems, but, often rely on

funding to sustain them. There are rules about registering a business activity which should not be overlooked, even if the business is small or operates from within day services.

**Get decent advice and diminish the role of misinformation.** Experience suggests that one of the biggest barriers to employment is the prevalence of false or incomplete information. This often coincides with fears about the removal of services, welfare benefits and other supports. Clear, unambiguous information should enable individuals to make informed choices.

**Develop relationships with business advice agencies.** Business Link is making strenuous efforts to focus some attention on the needs of people with a learning disability and have hosted a number of events seeking advice and consultation on the matter. Approach local offices and be prepared to offer some support to them in the first instance about working with people with a learning disability.

## Conclusion

Overall this is an issue of rights: self-employment must be an option for people with learning disabilities just as it is for many of us who work in the learning disability sector. Given we are only talking of a small number of people (on average 10% of the non-disabled population choose self employment), the key issue is whether self-employment is a more realistic route to work for some.

## More information

For further information and enquiries about the In Business program or the work of the Foundation for People with Learning Disabilities, please contact:

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or visit:

<http://www.learningdisabilities.org.uk/in-business>

<sup>2</sup>Glendinning, C et al (2008) Evaluation of the Individual Budgets Pilot Programme - Final Report. York Social Policy Research Unit, University of York