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12 May 2023

Dear Claire,

Inquiry into the Disability Employment Gap

Many thanks for your letter dated 19 April 2023, setting out progress of the inquiry, some of the key findings, and further queries you are looking for information on.

I have set out my responses to the queries and other points raised in the body of your letter in Annex A, as attached.

I would also like to take this opportunity to notify the committee of the publication of the impact assessments of the Fair Work Action Plan 2022 and Anti-Racist Employment Strategy 2022. Links to these are also set out in Annex A as attached.

I hope that the Committee finds this information useful.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Neil Gray'.

Neil Gray

ANNEX A – Responses to queries from the EFW Committee received 19 April 2023, and Fair Work Action Plan and Anti-Racist Employment Strategy Impact Assessments

Specific queries included in your letter dated 19th April 2023:

1. Some data collection is good but there is a lack of granularity, meaning there is no breakdown between physical and mental disabilities and, for example it is not known how many people with learning difficulties are looking for work. Granular data is important as progress to address the disability employment gap has been uneven. **Will this be addressed by the work referred to by the Minister at point 12 in his letter of 9 March? What work is the Scottish Government doing to better identify groups being left behind and to target support?**
2. The Committee was told that, in general, employers find it easier to make adaptations to support someone with a physical disability, but it can be more complicated for someone with learning difficulties, sight or hearing loss. **What support, with costs or otherwise, does the Scottish Government provide to business and are there plans to do more?**
3. 20% of people with learning difficulties leave school without qualifications. The Committee heard there can be a culture of negativity and lack of aspiration. The Minister referred to the Scottish Government's commitment to introducing a national transitions to adulthood strategy. **When can this be expected?**
4. There was felt to be a "postcode lottery" for support across Scotland, with challenges in rural or remote areas and a lack of opportunities for placements, poorer transport links and connectivity. **What action is the Scottish Government taking to address these wider issues?**
5. Witnesses suggested that funding decisions for employability services have been considerably delayed in recent years. The lack of funding certainty has meant that service providers are having to make difficult decisions about staffing levels which limits their ability to deliver vital services and affects the continuity of service for those who rely on this support. **Does the Scottish Government acknowledge these delays in making funding allocations, and are actions underway to address these in this and future years?**
6. It is unclear why there was so much unallocated funding in the employability budget at the time of last year's emergency budget review. **The Committee is keen to understand the reasons for this and would welcome an explanation.**

Within the body of the letter, you had also included queries or sought clarification around the following:

7. You had commented on there not having been a Year 3 progress report to update on A Fairer Scotland for Disabled People – Employment Action Plan.
8. You would like me to confirm who will chair the Ministerial Fair Work Action Plan Oversight Group and when the first annual report will be expected.
9. You were asking when the Scottish Government will publish the Evidence plan and Full Measurement Framework accompanying the Fair Work Action Plan.
10. You wanted to find out whether the review of employability support for learning disabled people, called for by the Fraser of Allander Institute, has taken place or will be carried out in relation to learning disabled people's routes to accessing support; and sharing of good practice.

RESPONSE TO YOUR QUERIES

- 1. Will data collection and targeting of support be addressed by the work referred to by the Minister at point 12 in his letter of 9 March? What work is the Scottish Government doing to better identify groups being left behind and to target support?**

Scottish Government is working with partners to simplify the employability system through the implementation of No One Left Behind. It has a crucial role in achieving our vision for economic transformation and tackling child poverty; and aims to deliver a system that is more person centred, tailored and responsive to the needs of people of all ages who want help and support on their journey towards and into work, particularly people with health conditions, disabled people and others who are disadvantaged in the labour market.

Recognising that a place based approach can facilitate far easier join up with existing local-level services, No One Left Behind provides local flexibility balanced with national coherence. The approach has seen us move away from funding national programmes with fixed eligibility criteria and programme rules, to more flexible, local funding. This allows the design of services to take place locally, not only driving service integration but aligning with the opportunities and challenges present in the area.

To drive effective delivery we are working in partnership with users and service providers to build capacity, and make evidence based decisions around service design. We are working with Local Employability Partnerships to ensure that local data is used to understand how well services are reaching people, particularly those in priority groups, such as disabled people. As part of the introduction of No One Left Behind, a Shared Measurement Framework has been developed ([Employability Shared Measurement Framework published](#) [Employability in Scotland](#)), playing a key role in enabling the development of a system that is driven by consistently defined and measured data. This supports a shift from multiple, separate approaches to measuring the success of services, to a coherent view of what is working for people at national, local and individual level.

On your request for a full breakdown of statistics relating to disabled users of Scotland's devolved Employment services, these are published at <https://www.gov.scot/collections/scotlands-devolved-employment-services-statistics/>.

We have proactively published and added to the statistics available on devolved Employability services since 2017 and will continue to do so. The Scottish Government publishes a range of official statistics on employment and unemployment by local authority area by a range of protected characteristics to improve understanding of the labour market in Scotland. The most recent publication is Scotland's Labour Market: People, Places and Regions – Protected Characteristics. Statistics from the Annual Population Survey 2021, which can be found here <https://www.gov.scot/publications/scotlands-labour-market-people-places-regions-protected-characteristics-statistics-annual-population-survey-2021/> .

It is also worth noting that the official overall source of information for people in employment in Scotland by health condition is the ONS Annual Population Survey. This National Statistics Survey will be transformed in 2024 with greater reliability anticipated around estimates for smaller groups in the labour market. In addition, there have been improvements in reporting of health condition. Since Jan to Mar 2020, this survey has an option to record Autism (including autism spectrum condition, Aspergers syndrome) as well

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as severe or specific learning disabilities. However, this group is relatively small and there would be some limitations around further detailed breakdowns of this group.

In addition, when publishing the refreshed Fair Work Action Plan, this was accompanied by a Measurement framework, and we committed to publish a fuller Evidence plan. Work to develop this is under development, see the response to question 9 below.

2. What support, with costs or otherwise, does the Scottish Government provide to business regarding adaptations and are there plans to do more, also for those with sensory impairments and learning disabilities?

In terms of reasonable adjustments, which employers are required by law to provide, this is reserved to the UK Government. Ensuring disabled people get the support, adaptations and adjustments they require are, however, critical to supporting more disabled people into work, as well as to maintain employment. We will be working closely with stakeholders, including business support organisations, to ensure that employers are aware of this, and that providing reasonable adjustments are not only a legal requirement, but also something that can often be done quite easily, and at low cost, with the right information.

Disabled employees are also entitled to support from Access to Work (AtW), a Department for Work and Pensions scheme, for support which goes over and beyond reasonable adjustments. While this is reserved, we have set up a Scottish Access to Work Stakeholder Forum, which provides direct input to DWP. This forum is led by the Glasgow Centre for Inclusive Living, a disabled people's organisation.

In terms of sensory loss specifically, the Scottish Government has provided over £5.5m to promote the implementation of the current SG/COSLA strategic framework for people with Sensory Loss, *See Hear*. The strategy is currently undergoing a refresh to be published in autumn/winter 2024. Employability and the employment of people with sensory loss has been identified as a key area which requires strengthening in the new strategy. There is a range of readily available support and assistive technology, such as screen readers, voice recognition, video magnifiers, digital voice recorders, Braille displays and embossers for those who use Braille, amplified telephones, conversation listeners and hearing loops in meeting rooms, BSL interpreters as well as palantypists. There are also accessibility features on standard devices such as mobile phones which can provide support.

The Scottish Government Sensory Loss in Social Care Advisory Group, established April 2023, will advise Scottish Government on issues relevant to the development and implementation of policy having an impact on the rights and lives of people with sensory loss in social care. In addition, the Group will advise on the refresh of the *See Hear* strategy, promote and facilitate on-going engagement and participation of third sector and other relevant agencies and bodies in broader areas of policy development, and actively promote links and shared working with other relevant SG advisory groups and organisations and develop networks to ensure that the needs of those who have a sensory loss are taken into account when developing policy and services. Membership is drawn from a wide range of public and third sector organisations who can represent the issues of people with sensory loss in Scotland.

The Public Social Partnership (PSP), Apt, the Scottish Government set up to provide tailored advice and support to employers, has several consultants who have a visual impairment or hearing impairment who are regularly working with employers. We have invested almost £1m since 2020 in the PSP. These are staff from some of the partner organisations, and also

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individuals who were recruited through the PSP's Training for Trainers initiative for people with lived experience.

Activities that are being delivered through the PSP include a range of training courses delivered by the Royal National Institute for Deaf People (RNID), Sight Scotland, Deafblind Scotland and lived experience consultants on visual impairment, hearing impairment and deafblind impairment.

Training has also been provided on assistive technologies, adaptations and reasonable adjustments in the workplace. Comprehensive workplace assessments for employers to identify their needs including adaptations, adjustments and changes to policies and workplace procedures were undertaken.

The workstream focusing on this provided support for employers:

- in introducing assistive technologies on site;
- on reasonable adjustments in the workplaces;
- to update policies and procedures and establishing better workplace support, including peer mentoring for new employees and employee groups;
- to promote vacancies to people with sensory impairments;
- to comply with regulations on site e.g. signage;
- to produce documents in various formats such as braille and easy read;
- with Access to Work applications for employees who can benefit from it.

Another intervention is the Workplace Equality Fund. This was first launched in 2018 and has delivered 58 projects with a total value of £1.8m over three years up to 2021. This funds projects that support employers to provide labour market interventions to help equality groups, including disabled people, to enter, remain and progress in employment. The current iteration of the Workplace Equality Fund launched last year and funded thirteen projects. Four of these focus on addressing barriers for disabled workers, and include projects that focus on neurodiversity and autism: Salvesen Mindroom – Neuro inclusion at Work and Perth Autism Support.

Salvesen Mindroom seeks to help employers improve the experience of neurodivergent colleagues in their workforces helping employers to become more aware, informed and empowered to bring neurodiversity into the mainstream of diversity and inclusion. Salvesen supports employers to understand the broad concept of neurodiversity and how it impacts individuals; understand specific diagnoses such as autism, ADHD, dyslexia, dyspraxia and Tourette syndrome and how they present in the workplace and in homes and communities; fulfil their legal duties to support neurodivergent employees; and improve employment practices to ensure the brightest and best employees are recruited and retained so that every employee experiences fair treatment and has the opportunity to fulfil their potential.

The Perth Autism Support project is aimed at improving the recruitment and retention of neurodiverse workers within Perth and Kinross Council. The project is led by a specialist charity with expertise in disability training, change management and e-learning. The project focusses on 4 major local authority service areas, reviewing and redesigning employment procedures, undertaking environmental audits and creating accessible e-learning modules. In the long term the potential reach is approximately 6,000 local authority employees and around 500 neurodiverse young people.

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The Scottish Government is working to improve opportunities and choices to work for autistic people and people with learning disabilities through **Towards Transformation**, our autism and learning/intellectual disability transformation plan, published in March 2021.

The Scottish Government funds an organisation called [Into Work](#) which helps various organisations throughout the country to educate employers and offer support on how to make reasonable adjustments for disabled people or those with a long-term health condition such as autism.

In addition, the Fair Work Action plan included a commitment for Business Gateway to ensure their advice and support is updated to better support those disabled people who want to pursue self-employment.

3. When can the National Transitions to Adulthood Strategy be expected?

Scottish Ministers have committed to introducing Scotland's first National Transitions to Adulthood Strategy in this Parliamentary term to ensure there is a joined up approach in order that all disabled young people can experience a supported and positive transition to adult life.

This commitment to introduce a Strategy by 2026 is from the 2021 Programme for Government, and has recently been reaffirmed by the Cabinet Secretary for Education and Skills in the recent prospectus: [Equality, opportunity, community: New leadership - A fresh start - gov.scot \(www.gov.scot\)](#)

To date, we have been laying the foundations for the Strategy through research and engagement. The scope, vision, aims and national priorities for the Strategy are now being developed with a new external strategic working group with representation of parent carers, education, social work, health, local authorities and third sector partners. The group are meeting monthly to take forward this work before we consult more widely.

Young people must be at the heart of any change and will be integral to the design and development of this Strategy for it to be as effective as possible. We will ensure that there is sufficient time to allow for the meaningful engagement and participation of disabled young people. Three groups of disabled young people are currently contributing to this work.

4. There was felt to be a “postcode lottery” for support across Scotland, with challenges in rural or remote areas and a lack of opportunities for placements, poorer transport links and connectivity. What action is the Scottish Government taking to address these wider issues?

Employability

We recognise that individuals in rural areas can face particular challenges around accessing and retaining employment, not least because of unique labour market situations and geographical barriers. With a commitment to embedding lived experience, employability services delivered under the No One Left Behind approach are not designed nationally. Instead responsibility for designing services sits with the Local Employability Partnerships, who have the flexibility to implement provision that responds to and meets local needs.

This local flexibility is supported by a framework of national guidance documents, including [Service Standards](#) and a [Customer Charter](#). These documents recognise the need to ensure there is consistent quality of services across Scotland and enable Local Employability

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Partnerships to deliver that consistent quality whilst being empowered to determine how best to implement them in a way that meets user needs at a local level and creates the conditions for good services, regardless of location.

Travelling and transport

The Scottish Government is committed to ensuring that disabled people can travel with the same freedom, choice, dignity and opportunity as other citizens. Scotland's Accessible Travel Framework was launched in 2016 to help achieve this and a succession of delivery plans, which have been developed in conference with disabled people's organisations and the Mobility and Access Committee for Scotland, provide a focus for action.

We are continuing to make progress under the Framework, with recent action including:

- Provided £35,000 funding to Neatebox who have developed and trialled an app focussing on bus travel for disabled users, with a primary focus on wheelchair users who require use of a particular designated space when using the bus.
- Provided £51,552 funding to Values Into Action to deliver valuable travel training to those with learning disabilities and autism.
- Provided £122,150 funding to Go Upstream who looked at a pan-disability project on how the spaces between connections are navigated.
- Funding to Disability Equality Scotland (approx. £95k p/a), a national organisation devoted to creating the Accessible Travel Hub for information to help disabled travellers across all modes.

In relation to bus, Transport Scotland provides an annual subsidy through the Network Support Grant (NSG) to the bus industry, the aim of which is to keep fares more affordable and support bus operators to run services that might not otherwise be commercially viable. Transport Scotland are supporting more services to be commercially viable with extra funding for a marketing campaign from Scottish Government, to encourage people back to bus. Scotland also encourages bus use with the most generous concessionary scheme in the UK, with over 2.3 million people, including everyone under 22 and over 60, and disabled people and companions, eligible for free bus travel. This complements our broad package of long-term investment in bus, including addressing congestion through bus priority infrastructure.

We are aware of the importance of rural bus services and are committed, in partnership with operators and local authorities, to looking at ways of ensuring that everyone has accessible public transport regardless of where they live. We have brought forward a wide toolkit of powers within the Transport (Scotland) Act 2019 to enable local authorities to pursue the options that are right for their area, allowing more rural areas to meet the distinct challenges they face.

Since June 2022, we have delivered powers to enable local transport authorities to run their own local services, which sits alongside their existing ability to subsidise local bus services. Work on delivering secondary legislation to allow bus franchising and partnership working will be introduced later this year.

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Scottish Ministers also recognise the important role community transport organisations play as part of the transport network in Scotland. They make a major contribution to reducing isolation and increasing social inclusion by providing transport services for those who have no private transport, are unable to use conventional bus services, or where suitable services are limited. They are of particular benefit in rural areas.

These services are much valued by their users allowing them to play a greater part in their local community, helping them to remain independent, have a more active lifestyle and less reliance on social and health services.

Local authorities are provided with resources for the support of community transport services through the local government finance settlement. Transport Scotland supports community transport by funding the Community Transport Association (Scotland) to develop, support and advise the sector in Scotland.

Broadband and Mobile

Scotland's Reaching 100% programme is providing broadband infrastructure for economic growth and community transformation. It has three key strands - contracts, vouchers, and commercial coverage. The contracts focus on rural areas, connecting over 20,000 premises by February 2023. The government-funded build has also connected 5,000 premises at no extra cost.

On mobile, we invested £28.75 million in the Scottish 4G Infill program, providing 4G infrastructure to 55 rural and island areas in Scotland. The masts are improving daily life, supporting local tourism and enabling digital access. 49 of the 55 masts are already activated, with the remaining 6 expected to be completed by Summer 2023. We're also exploring ways to increase 4G access across Scotland with the UK Government's Shared Rural Network.

We want to ensure that as many people as possible can access future-proofed digital infrastructure and are working with the UK Government on the design of their Project Gigabit investment programme, which represents an opportunity to build on the success of our R100 investment and continue to target public investment at the parts of Scotland that stand to benefit from it the most.

5. Does the Scottish Government acknowledge these delays in making employability funding allocations, and are actions underway to address these in this and future years?

Our No One Left Behind approach is a transformational change agenda. It is our intention to develop collaboratively with partners, a No One Left Behind multi-year Strategic Plan 2023-26 that will map out the future journey indicating key milestones. We expect to publish this in Autumn 2023.

As part of the work to further develop our No One Left Behind approach, frequent and ongoing engagement with delivery partners on the operational reality will be crucial. As part of this, we have committed to explore additional flexibilities around funding and associated criteria to further support delivery of effective, place based services.

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- 6. The Committee is keen to understand the reasons for the unallocated funding in the employability budget at the time of last year’s emergency budget review and would welcome an explanation.**

These are challenging and unprecedented economic times - however our commitment to helping those further from the labour market is unwavering. Employability remains an important part of our strategic aims, both around reducing Child Poverty and the National Strategy for Economic Transformation.

At a time of acute labour shortages, historically low unemployment and soaring inflation, the Emergency Budget Review decision to take £53.06m of savings from employability was made on the basis that we needed to prioritise money in people’s pockets over spending on employability which was unlikely to result in immediate benefits for individuals.

This was not a decision that was taken lightly, and despite intended additional funding having to be repurposed, we continued to maintain existing investment in employability support in 2022-23, with up to £59.43m being made available through No One Left Behind, and £23.5m available through Fair Start Scotland. Through these services, we were able to continue offering employability support, despite the savings decisions made.

- 7. The Committee commented that there had not been a Year 3 progress report to update on A Fairer Scotland for Disabled People – Employment Action Plan**

The Scottish Government committed to publish progress reports for the life span of the original action plan, *A Fairer Scotland for Disabled People – Employment Action Plan*, and then to refresh this plan. Therefore, two progress reports were published as planned in 2020 and 2021, and when the refreshed Fair Work Action plan was published in December 2022, this included updates on all the original actions – in addition to refreshed and new commitments.

- 8. The Committee would like confirmation of who will chair the Fair Work Action Plan Oversight Group and when the first annual report will be expected.**

As Scottish Minister with lead portfolio responsibility for Fair Work, the Cabinet Secretary for Wellbeing Economy, Fair Work and Energy will chair the Fair Work Action Plan oversight group. Invitations to key stakeholders to join the group will be sent shortly.

The annual report on progress to deliver the actions within the Fair Work Action Plan will be published in the first quarter 2024 following the first full year of implementation of the plan.

- 9. The Committee was asking when the Scottish Government will publish the Evidence plan and Full Measurement Framework accompanying the FWAP.**

The Fair Work Action Plan committed to development of an evidence plan, and that this would be published along with the accompanying measurement framework.

The Action Plan highlighted, *“the evidence plan will set out further work to:*

- *monitor the fair work context and progress we are making over time over to ensure our actions respond to change;*
- *draw lessons from other comparable economies on what is achievable and what has worked in different contexts such as international mechanisms to revalue women’s work;*

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- *how we address data and wider evidence gaps in relation to a wide range of issues across the different dimensions of fair work: for example, how women’s disproportionate unpaid care responsibilities drive the gender pay gap, and key interventions that may better support disabled people, who are disproportionately likely to be economically inactive, to enter and sustain work;*
- *monitor and measure the impact of our current actions, including drawing lessons from actions we will deliver as part of this plan.”*

Work to develop the Evidence Plan is currently being scoped out with the expectation that the plan be published before the end of 2023. Progress updates will be provided in due course. The measurement framework will inform the annual report and will be published as part of that report.

10. The Committee wanted to find out whether the review of employability support for learning disabled people, called for by the Fraser of Allander Institute, has taken place or will be carried out in relation to learning disabled people’s routes to accessing support; and sharing of good practice.

No One Left Behind is the Scottish Government’s approach to employability. It is place-based, person centred and designed to be responsive to the needs of individuals of all ages who may experience barriers to accessing the labour market, including people with learning disabilities.

There are currently no plans to undertake a specific review of employability services around support for people with learning disabilities. However, we are actively considering the recommendations from the Supported Employment and Individual Placement and Support Reviews as part of the development of future No One Left Behind plans.

Whilst 32 local authorities act as lead accountable bodies in the funding relationship, local decision making takes place at Local Employability Partnerships (LEP) level. This allows Local Government, statutory bodies including SDS, DWP, Colleges, Third Sector, and business representatives to work together to address the locally evidenced need that best meets both individual and employer aspirations.

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Impact assessments of the Fair Work Action Plan 2022 and Anti-Racist Employment Strategy 2022

Officials commissioned AECOM Ltd. to undertake the impact assessments (listed below) for the [Fair Work Action Plan 2022](#) and [Anti-Racist Employment Strategy 2022](#). These were published on 25 April 2023 and are available at the following links:

- [Business and Regulatory Impact Assessment](#)
- [Child Rights and Wellbeing Impact Assessment](#)
- [Data Protection Impact Assessment](#)
- [Equality Impact Assessment](#)
- [Fairer Scotland Duty Assessment](#)
- [Island Communities Impact Assessment](#)