

## Acknowledgements

This is a report by the European Association of Service providers for Persons with Disabilities (EASPD).

### **Authors:**

Nina Kozlowitz, EASPD Research, Knowledge & Innovation Assistant

### **Acknowledgements:**

Thomas Bignal, EASPD Head of Policy

Renaud Scheuer, EASPD Head of Knowledge & Innovation

### **Contributions:**

CAN & Hand in Hand (Hungary)

Anonymous contributor (Finland)

The 'Net' (Greece)

UNAPEI (France)

Republic center for support of persons with intellectual disability – PORAKA (North Macedonia)

Disability Federation of Ireland (Ireland)

Vlaams Welzijnsverbond (Belgium)

Anonymous contributor (Austria)

### **Layout:**

EASPD Communications Team

# Contents

Acknowledgements..... 1

Contents ..... 2

Methodology Review ..... 3

Key Messages ..... 4

The Rising Cost of Living and its Contextual Background ..... 5

A Snapshot of the Impact of the Rising Cost of Living on Persons with Disabilities..... 7

A Snapshot of the Impact of the Rising Cost of Living on Service Providers in the Disability sector ..... 8

How are Disability Service Providers coping with the Rising Cost of Living? Illustration of Initiatives adopted by some Service Providers..... 9

To what extent can Governments support Service Providers? Initial Policy Recommendations for Improving Support..... 13

Conclusion ..... 16

Bibliography ..... 17

## Methodology Review

With rising inflation, the ability of social services to cope with the cost of living has become a real financial challenge that threatens both the continuity of social service delivery and the ability of service providers to deliver quality services.

This first snapshot report, produced in mid-October 2022, aims to provide an initial picture of the impact of the cost of living on social services in the disability sector, highlighting the extent to which service providers are affected, the practices they are putting in place to cope with these impacts, as well as a non-exhaustive list of recommendations for governments to provide better support.

To build this initial picture, the methodology of this report consisted of collecting data in the form of a structured questionnaire from service providers in 8 different countries of EASPD network, respecting a geographical distribution across Europe.

While reading this report, readers should keep in mind that it provides an initial and partial picture of the impact of the cost-of-living crisis, as it integrates data from a selection of social service providers, where the magnitude of the impact and responses adopted to address this crisis vary widely across states, regions, and even providers. In addition, it is important to consider the temporal nature of this report, which was written in a particular time frame, while the current situation is in constant evolution.

## Key Messages

The main messages from this report include:

### Regarding measures implemented by disability service providers

<b>Financial measures</b>	<ul style="list-style-type: none"> <li>• <i>Use by the service providers of their own savings</i></li> <li>• <i>Search of new funding options, including crowd funding campaigns, calls for donations and project management</i></li> <li>• <i>Increase in cost of living for adults</i></li> <li>• <i>Efforts to negotiate more contracts with local authorities</i></li> <li>• <i>Use of state allowances (all levels)</i></li> </ul>
<b>Organisational measures</b>	<ul style="list-style-type: none"> <li>• <i>Increasing use of volunteerism</i></li> <li>• <i>Closing certain type of activities, reducing costs for service users' outings, including entertainment activities and personalised support</i></li> <li>• <i>Cut in non-essential benefits, furniture, or staff costs</i></li> <li>• <i>Renting office space to other organisations to meet rising costs</i></li> </ul>
<b>Resource management measures</b>	<ul style="list-style-type: none"> <li>• <i>Revision of resources management, including measures such as light management and turning down the heating</i></li> <li>• <i>Analysis of the possibilities of energy-saving investments, including modernising heating systems or building insulation</i></li> <li>• <i>Careful risk assessment when it comes to new investments</i></li> </ul>

### Regarding recommendations for governments to provide better support to disability service providers

<b>Emergency measures</b>	<ul style="list-style-type: none"> <li>• <i>Adaptation of service providers budget in accordance with inflation rate in order to guarantee the continuity and quality of service provision</i></li> <li>• <i>Adequate financial support for service providers to cover additional costs and compensate losses, for instance inclusion of social services providers among beneficiaries of benefit allowances and reduced tariff, in particular for compensating rising energy costs</i></li> <li>• <i>Adequate support for services providers to recruit and retain their staff, including increase wages of social workers in accordance with effective inflation rate</i></li> <li>• <i>Ensuring that energy compensation benefits do not discriminate persons with disabilities based on their choice of living facilities</i></li> </ul>
<b>Resilience-building measures</b>	<ul style="list-style-type: none"> <li>• <i>Adequate funding for service providers to modernise their premises to move towards more sustainable and energy efficient entities</i></li> <li>• <i>Supporting the implementation by social services of sustainable transition strategies with the view of mapping out how to improve their resilience and energy-resources management</i></li> <li>• <i>Support social services in making use of EU funding opportunities (including the Recovery and Resilience Facility (RRF), the European Social Fund Plus (ESF+) and the European Regional Development Fund (ERDF)) to become more sustainable</i></li> </ul>

## The Rising Cost of Living and its Contextual Background

Inflation represents the upward movement of prices and is generally defined as *"an increase in the general level of prices of goods and services"* (Eurostat Glossary, 2018). In the context of this report, rising inflation should be understood as a contextual phenomenon resulting from a combination of factors – essentially, rise in commodity prices – which ultimately leads to a general increase in the cost of living or what is referred to as the current 'cost of living crisis'.

Identifying the drivers of inflation, their origins and current trends across Europe helps providing a better picture of how the current state of the 'cost of living crisis' impacts the disability sector. For the purposes of this report, this includes both the impacts on social service providers in the disability sector and the identification of measures and good practices to mitigate these impacts.

Over the past two years, the COVID-19 crisis has led to significant disruption of supply chains and a general rise in prices, particularly in the energy and food sectors. Regarding social services, while already affected by structural weaknesses, the pandemic has exacerbated the situation, increasing the pressure on service providers, including through increased demand, staff shortages, and funding problems. Service providers have had to adapt their services within a very short timeframe, while facing a lack of preparedness, insufficient equipment, and a lack of access to immediate funding. Service delivery has been disrupted and personal contact limited. In addition to the impact on service users and the ability of service providers to meet their needs, this has also led to reduced income, increased labour shortages, and mental distress for social workers (EASPD, 2020a; 2020b; 2020c; 2020d).

In this context of a pre-existing cost of living crisis, recent geopolitical instabilities, in particular the war on Ukraine, have emerged as a major new factor of external disruption on a global scale. With the consequences of post-pandemic inflation still being felt and the resilience of the global economy, as well as of social services, still largely impaired, the war on Ukraine is accompanied by a further surge in commodity prices, including oil, energy, and food. Supply chains are further disrupted and compounded with an atmosphere of fear of supply shortages (Benton et. al., 2022). Although there is not yet sufficient data to assess the impact of the war on Ukraine on social services, it can be expected that this crisis will exacerbate their existing deficiencies in a similar pattern to the pandemic (Eurofound, unpublished). Rising inflation, particularly the energy crisis, is putting at risk the financial sustainability of both service providers and the people who rely on support services, for instance persons with disabilities.

Occurring within a short period of time, these two global disruptive events accumulate in a snowball effect, where social service providers are caught between recovery and new challenges.

Additionally, given the uncertain duration of the war on Ukraine, *"cascading"* risks must also be considered. As comprehensively explained by Benton and his colleagues: *"To this existing state of vulnerability, the conflict in Ukraine and its impacts on energy and food markets have added both direct threats – high energy and food prices and the prospect of reduced supply – and cascading risks, with the potential for resource market impacts to ripple out and deepen economic insecurity. The current situation has thrown light on the interconnectedness of crises in a globalized world. It highlights the*

*importance of addressing disruptions to markets and supply chains not in isolation but as interrelated systemic risks.”* (Benton et. al., 2022).

Consequently, considering how public authorities will respond to this crisis when it comes to investments in social services is of utmost importance. If they operate following a strategy of reducing investments, short-term consequences are very likely to jeopardise the continuity of social services by weakening their financial capacity. While from a long-term perspective, this will inevitably have an impact on their ability to modernise towards achieving greater social impacts (EASPD, 2021).

In this report, we seek to alert the negative consequences that cutting social services spending can have in both the short and long term. Indeed, cutting the budget for social services to deal with the current crisis is a superfluous measure, which will only result in costs being shifted to other responsive services, notably the health care system which has already been under great pressure during the pandemic and that is still recovering. This, while impacting on the extent to which persons with disabilities can access services whose work is particularly guided by objectives of inclusion, equality and non-discrimination, improved well-being, independent choice and, ultimately, support for the full enjoyment of their human rights.

Therefore, more investment on social services, even in times of crisis, is about strengthening their capacity to align and support in the face of new societal changes. It is also about supporting their modernisation by giving the financial capacity to social services to keep improving their positive social impact on the lives and empowerment of persons with disabilities. For instance, in the care sector, this modernisation process encompasses the transition from an institution-based system to community-based health care services. Such a deinstitutionalisation process may however only be initiated if correct and adequate funding is available, including development of new funding models such as personal budgets, *“allowing individuals to be at the centre of planning and to organise their own care and support services”* (Ibidem). In other words, the lack of financial support jeopardises not only the continuity of social services, but also their ability to move towards the modernisation of their service provision, which would ensure high quality support services in line with social inclusion principles.

Lastly, when it comes to achieving other current EU priorities, the cost-of-living crisis is highlighting the relationship between green objectives and social services. It underscores the need to undertake the greening of the sector to make it more sustainable, but also to strengthen its energy resilience in the face of potential new geopolitical instabilities by improving its energy resource management capabilities. This other component of the social services modernisation process will, once again, only be possible if adequate *additional* funding is made available. The adjective additional here is significant as investments in green transition must not shift away from investment in social inclusion measures.

## A Snapshot of the Impact of the Rising Cost of Living on Persons with Disabilities

While rising commodity prices – especially for energy and food – pose an immediate threat to human security for all, persons in vulnerable situations, including persons with disabilities, are facing increased risks.

The [fourth edition of the European Human Rights Report 2020](#) on poverty and social exclusion has already pointed out how persons with disabilities are suffering from higher rates of poverty, social exclusion and unemployment. In times of global crisis, it further explains how, against the backdrop of previous crises, recovery rates for persons with disabilities are generally much slower than for persons without disabilities (EDF, 2020a).

In the same vein, the European Disability Forum highlighted in another article the share of additional risks faced by persons with disabilities during the pandemic, including disruption of services and support, exclusion from general health information and services, and inaccessibility of services, among others (EDF, 2020b).

The current cost of living crisis follows a similar trend, and a recent report has already stressed the exacerbated impact of rising commodity prices on persons with disabilities. In terms of income, this report mentions the reduction or lack of adjustment of disability benefits to inflation, as well as the so-called "*benefit trap*" – whereby disability benefits are reduced or withdrawn when entering the labour market – puts persons with disabilities at increased risk of poverty (EDF, 2022). The situation is even worse when persons with disabilities have to spend extra money on assistive technologies that depend on commodities with rising costs, such as electricity. In addition, while reduced use of heating or air-conditioning may lead to inconvenient situations, persons with disabilities are once again affected to a greater extent, encompassing both health hazards and social exclusion resulting, for example, from reduced mobility or inability to use mainstream public services (Ibidem).

This additional burden must also be seen in a context where persons with disabilities face low employment rates across Europe, with an average of only 50.8% of persons with disabilities living *outside* institutions being employed compared to 74.8% for persons without disabilities (EU SILC 2017 in EDF, 2020a). And even when persons with disabilities have entered the labour market, the salary they receive is often very low, frequently equivalent to the minimum wage, and may be accompanied, as explained above, by the phenomenon of the 'benefit trap'. In conclusion, the likelihood that persons with disabilities will face either a situation of non-employment or of low income is significant.

Therefore, given the additional risk burden that global crisis situations (including the current rising price crisis) place on persons with disabilities, it is essential, when considering measures to combat this crisis, to create specific support measures.

## A Snapshot of the Impact of the Rising Cost of Living on Service Providers in the Disability sector

Social services in the disability sector provide essential support and assistance services to meet the needs of persons with disabilities, pursuing the overall objectives of inclusion, improvement of well-being and, ultimately, support for the full enjoyment of their human rights.

As their role is to *“respond to the social needs of individuals, particularly those who are in specific vulnerable and complex situations that cannot be solved without support (...) while at the same time trying to foster the active social and labour market inclusion of these individuals”*, social services play *“a potentially key role in the effective implementation of the European Pillars of Social Rights (EPSR)”*. However, such as role is conditional to *“the provision of quality services (including the quality of the staff providing the services), the availability of adequate funding and the effective implementation of the social service”* (European Commission, 2022).

It is therefore of utmost importance to invest in the modernisation of social services, so that they are able to provide high quality services and continuous support to individuals in response to their societal needs, which may evolve in line with societal changes.

The experience of the pandemic crisis has particularly highlighted the importance of investing in social services. Insufficient investment in building their resilience and capacity to cope with the crisis led to disruptions in service delivery and had a direct impact on both persons with disabilities and service providers in many aspects.

Similarly, although still in constant evolution, the rising cost of living is already impacting service providers and their ability to deliver efficient and quality services.

For the purpose of this report, data were collected in the form of a structured questionnaire from a selection of service providers in EASPD network, covering 8 different countries across Europe. The results provide an initial picture of the main areas in which they are particularly affected by rising inflation:

- The significant rise of inflation rate is causing a general rising of commodity prices. The main increased costs identified by the respondents as having a major impact on their activities and/or users are energy (gas and electricity), food, housing, transportation (fuel), construction and raw materials.
- Rising energy prices are identified by all respondents as the most important inflationary factor.



# How are Disability Service Providers coping with the Rising Cost of Living? Illustration of Initiatives adopted by some Service Providers

Based on data collected from a selection of service providers in EASPD's network, covering 8 different countries in Europe, this report provides a non-exhaustive list of practices giving a first snapshot of the practices currently used by service providers to cope with rising prices.

## Financial measures

- ***Use by the service providers of their own savings***
- ***Search of new funding options, including crowd funding campaigns, calls for donations and project management***
- ***Increase in cost of living for adults***

While increasing costs of service provisions may enable service providers to meet rising costs, this may also lead to social exclusion by exposing persons with disabilities to even higher rates of poverty than they already experience.

- ***Efforts to negotiate more contracts with local authorities***

In Finland, in the absence of public subsidies, the main strategy of the respondent is to negotiate an increase in the number of contracts in order to increase the funding received by the local authorities. So far, municipalities have been responsible for the funding of services, but a new reform is underway and from January 2023, municipalities will be replaced by larger entities, the 'wellbeing service counties'. Although this reform is seen by the respondent organisation as a positive change, promoting greater equality in the provision of social services, this transitional period may lead to some confusion as to which authorities are currently competent to conduct such negotiations.

- ***Use of state allowances (all levels)***

In some states, the authorities (national/regional/local) bear part of the additional costs arising from price increase, particularly in the area of energy.

For example, in the Salzburg region of Austria, the respondent is providing services under regional responsibility where agreements surrounding the framework of service provision are delimited by long-term contracts. Under this format, the respondent reports that most of additional costs arising from the current price development are borne by the Salzburg region. However, it should be stressed that the situation is very different depending on the regions.

## Organisational measures

- ***Increasing use of volunteerism***
- ***Closing certain type of activities, reducing costs for service users' outings, including entertainment activities and personalised support***

In order to cope with the rising cost of living, some service providers have to stop providing certain types of activities. For example, in Belgium, the respondent mentioned the closure of therapeutic swimming pools. This illustrates the extent to which the current crisis can have a direct effect on the provision and quality of services and, ultimately, on the quality of life of their users.

- ***Cuts in non-essential benefits, furniture, or staff costs***

While the disability service sector was already experiencing a significant shortage of staff, particularly qualified staff, the COVID-19 pandemic has exacerbated these problems and has been associated with an increase in mental health problems, sick leave and staff departures (EASPD, 2020d).

Effective delivery of quality services can only be guaranteed if there is sufficient qualified staff. This is especially true in times of crisis when there is an increased demand for services.

Service providers should therefore receive adequate support to ensure their financial sustainability, but also to assist them in recruiting and retaining their workforce. Reducing staff benefits and working conditions will only increase the likelihood of staff departure and ultimately degrade the ability of service providers to deliver quality services.

- ***Renting office space to other organisations to meet rising costs***

## Resource management measures

- ***Revision of resources management, including measures such as light management and turning down the heating***

However, as mentioned above, such measures can have a negative impact on the quality of life of service users, leading to an increased risk of health risks and social exclusion for persons with disabilities. For example, the Belgian interviewee noted that the implementation of such measures may not always be possible, as is the case for persons with reduced mobility.

- ***Analysis of the possibilities of energy-saving investments, including modernising heating systems or building insulation***

Moving from analysis to action, however, requires that social services have access to the necessary funds. Many respondents noted the current lack of public authorities support for making investments in energy savings.

In Greece, the respondent has reported the exclusion of NGOs from funding under the RFF's green transition priority, which provides for energy savings through the renovation of existing building stock. These funds would have allowed for the renovation of the buildings in order to make them more energy efficient, thus meeting both the objectives of the green transition and helping, in medium term, to cope with the current rise in energy prices. However, the Greek translation of the following legislation led to considering “public buildings” instead of “existing building stock”, which led to a restrictive interpretation of coverage and ultimately excluded NGOs from receiving funding.

Additionally, the lack of financial support from governments can lead to a situation where social services are unable to implement previously adopted sustainable measures that would enhance their transition to greener entities supporting the local economy.

For example, in France, the new “Egalim” bill requires social services to include more organic and locally distributed food in their offerings. Although pursuing a sustainable objective, the implementation of such measures leads to increased costs. At the same time, in France, social service providers are still not included in the beneficiaries of the tariff shield measures.

On the other hand, some positive practices have also been observed, such as governments supporting organisations to develop and implement, even before the current crisis, sustainable and green transition strategies aimed at improving their energy dependency through efficient and sustainable resource management.

In the Salzburg region of Austria, the interviewee has implemented a medium- to long-term strategy since 2020 to improve its sustainability and address environmental issues. This strategy covers many areas, including the transition to more sustainable energy sources for buildings, with the necessary investments being covered by national and regional grants. Efforts have focused on, inter alia, thermal renovation, installation of photovoltaic panels, but also on informing and raising awareness of sustainability among service users. It is important to note that these strategies were implemented before and independently of the current price crisis and, as highlighted by the respondent, have a positive impact on the organisation's management of the current price crisis and supply constraints.

- ***Careful risk assessment when it comes to new investments***

For example, the respondent in Finland emphasises that, despite the scale of the need, a careful assessment of risk and budget strategy is required to determine what types of investments can be made to ensure their economic sustainability.

## Preliminary conclusions

Overall, these practices highlight the difficult balance faced by service providers who need to take immediate action to enable them to continue operating without compromising the quality of services provided.

They also reveal how the lack of support and adequate funding from the authorities to deal with the current price increases is having a negative impact on their resilience, as well as on their ability to initiate a long-term transformation towards more person-centred and community-based services. Indeed, as well as potentially hindering the continuity of service provision, this inevitably affects the ability of social services to make progress in improving the quality of their services.

Another initial observation is that, despite the many challenges that the current crisis is generating, the adaptations that service providers have to make in order to cope with increasing inflation are also acting as long-term drivers of change, prompting a transition to Green Deal principles. With the energy crisis identified as the most important inflationary factor, measures to reduce energy bills, such as temperature and lighting management, thermal insulation and revised transport policy, provide incentives for better energy management of social services in the long term (Federation of European Social Employers, 2022). In other words, the crisis brings into sharper focus the link between environmental objectives and social services, and the need to invest more in greening the sector.

# To what extent can Governments support Service Providers? Initial Policy Recommendations for Improving Support

To recover and ensure the long-term resilience of our societies to these current and future global shocks, governments need to take both emergency measures to tackle the crisis, in particular to mitigate price rises, but also measures that build long-term resilience and sustainability to global shocks (Benton et. al., 2022). In the context of the current energy crisis, consideration must also be given to other major global challenges, in particular climate change.

The challenges are therefore multifaceted. Firstly, service providers need to take rapid emergency measures to cope with rising prices, in order to avoid jeopardising their continuity and ability to provide services. At the same time, such measures must not have a detrimental impact on the quality of the service they provide, as well as on the quality of life of the persons relying on these support services.

In addition, measures must be adopted for the long-term transition of social services. Spending on their modernisation is an investment, a long-term means of improving their resilience to external shocks, increasing their capacity to respond to society's needs and ultimately improving the well-being of the population. For that, we can conclude from the observations made in a selected number of service providers from EASPD network that measures initiated by services providers alone are often not sufficient. However, it should be borne in mind that the impacts and measures related to the cost of living crisis vary considerably across states, regions and even providers. The initial conclusions drawn here are therefore only based on a first snapshot of the situation in selected countries and service providers in October 2022.

Below is a preliminary, non-exhaustive list of initial recommendations involving measures that have been or should be adopted by EU governments to help disability service providers cope with the cost of living crisis and promote their transformation into modernised and more resilient entities.

Among these measures, a distinction has been made between emergency measures, which are measures to cover the additional costs of rising prices, and resilience-building measures, which are measures that include the additional investments needed to support the greening of the sector. For the latter, the adjective 'additional' is of significant importance, as investments towards more sustainable social services must under no circumstances result from a redirection of existing funds, as this would inevitably deteriorate the quality and continuity of service provision.

## Emergency measures

- ***Adaptation of service providers budget in accordance with inflation rate in order to guarantee the continuity and quality of service provision***

- ***Adequate financial support for service providers to cover additional costs and compensate losses, including inclusion of social services providers among beneficiaries of benefit allowances and reduced tariff, in particular for compensating rising energy costs***

While governments generally provide public subsidies to households and individuals to cope with rising energy prices, respondents pointed out that social service providers are often excluded from this framework, and therefore do not count as beneficiaries of these allowances.

For example, in France, the government has introduced 'tariff shield' practices that limit gas and electricity prices, including price freezes, reduced taxes on final consumption and direct compensation from the state to operators. However, social service providers are not among the beneficiaries. The government has announced that a new decree should be adopted in 2023, this time extending these benefits to social service providers, but no details are yet available on which social service providers will be covered by this extension.

In the similar vein, in Greece, non-profits NGOs are currently excluded from the special discount framework established by the government to support the rising of energy consumption. In Hungary, it was also reported that service providers are often excluded from municipality extra benefit support, as these latter only target individual consumers.

In addition, in North Macedonia, the government has recently adopted financial assistance measures, including a combination of subsidies for electricity costs, reduced electricity tariffs for some public institutions and direct financial support to several vulnerable groups of citizens, including persons with disabilities. However, no specific measures have been taken to provide financial support to social services for persons with disabilities.

- ***Adequate support for services providers to recruit and retain their staff, including increase wages of social workers in accordance with effective inflation rate***

As previously explained, the essential role of social services, including their ability to implement the European Pillars of Social Rights, is conditional to the provision of quality services which includes “the quality of the staff providing the services” (European Commission, 2022).

While structural deficiencies in staffing already affected social services in the disability sector, the pandemic has exacerbated the situation.

In order to avoid further staff shortages, which ultimately have a direct impact on the quality and continuity of service provision, social workers' wages should not be excluded from the adjustment of wages to the effective inflation rate.

This argument was reported by many respondents, including our French interlocutor, that a salary increase should apply to all social workers, regardless of their relationship with the beneficiaries, and in line with the effective inflation rate.

Following a similar logic, in North Macedonia, the Labour Union is currently negotiating an increase of the salaries of the employees in the social sector, including service providers.

In Ireland, the interviewee mentioned that the government has made no provision to address the public sector pay agreement for their type of organisations, which has contributed to severe shortages in recruitment and retention of qualified public sector staff in the voluntary sector.

However, this salary increase must be done within an appropriate framework so that social services do not suffer from increased personnel costs. For example, in Finland, the respondent explained that there will be an 11% increase in salaries from next year. However, in the absence of subsidies for social services, this increase may have a significant impact on the organisational cost structure of social services.

- ***Ensuring that energy compensation benefits do not discriminate persons with disabilities based on their choice of living facilities***

For instance, in Belgium, the compensation bonus for energy only applied to individuals with private energy contract, and therefore not for residents living in collective housing. Moreover, in Finland, the respondent reported that benefits for persons with disabilities do not increase in line with rising costs. While this creates difficulties for all persons with disabilities, the risks may be even greater for those living independently. However, the government is currently discussing the provision of direct financial support to persons in vulnerable situations, including persons with disabilities.

### Resilience-building measures

- ***Adequate funding for service providers to modernise their premises to move towards more sustainable and energy efficient entities***
- ***Supporting the implementation by social services of sustainable transition strategies with the view of mapping out how to improve their resilience and energy-resources management***
- ***Support social services in making use of EU funding opportunities (including the Recovery and Resilience Facility (RRF), the European Social Fund Plus (ESF+) and the European Regional Development Fund (ERDF)) to become more sustainable*** (Federation of European Social Employers, 2022)

## Conclusion

This report provides a first partial picture of the impact of the cost of living on social services in the disability sector. It provides some initial information about the measures taken by service providers to mitigate the impact of rising costs, as well as initial recommendations for public authorities to provide better support.

It incorporates data from a selection of social service providers from 8 countries in EASPD network. It therefore provides only a partial picture, as the magnitude of the impact and the responses adopted to address this crisis vary considerably between states, regions, and even providers. In addition, this report, written in October 2022, is written in a particular time frame, while the current situation is in constant evolution.

Overall, some preliminary conclusions can be drawn from this very first analysis of the situation based on anecdotal evidence from organisations active on the ground. Service providers are facing serious threats to their financial security, which can potentially hamper the continuity of service provision, as well as the ability of social services to make progress in improving the quality of their services and to modernise towards more person-centred and community-based entities. The current crisis also highlights the link between environmental objectives and social services, and, ultimately, the need for additional investments to make the sector greener and more sustainable (and therefore, more resilient).

To address these multiple challenges, this report warns against inaction from authorities towards social service providers; with a consequence on both the *continuity* and the *quality* of support provided.

There is a need for effective support from public authorities to help disability service providers cope with the cost of living crisis and promote their transformation into modernised and more resilient entities. The non-exhaustive list of initial recommendations set out in this report can serve as an initial basis. Those are drawn based on what Thomas Bignal – Head of Policy at EASPD – referred to as a two-step approach: *“a first focusing on emergency measures for persons with disabilities and their support services; including financial support for the increased costs. A second step focusing on building up the resilience of the social services sector: more funding, better working conditions and helping service providers become more energy efficient”* (EASPD Press Release, 2022).

In conclusion, this report recalls the importance of investing more in social services, even in times of crisis, as this strengthens their capacity to adapt to new societal changes and to support the people who rely on their services. It is also about sustaining the modernisation of social services by giving them the financial capacity to continue improving their positive social impact on the lives and empowerment of persons with disabilities.

To follow up on EASPD's efforts to improve services, including in the context of the current cost of living crisis, please visit our website: [www.easpd.eu](http://www.easpd.eu)



## Bibliography

Benton, T. G. et. al, (2022). Research Paper: The Ukraine war and threats to food and energy security - Cascading risks from rising prices and supply disruptions. [online] Available at:

[https://www.chathamhouse.org/sites/default/files/2022-04/2022-04-12-ukraine-war-threats-food-energy-security-benton-et-al\\_0.pdf](https://www.chathamhouse.org/sites/default/files/2022-04/2022-04-12-ukraine-war-threats-food-energy-security-benton-et-al_0.pdf)

EASPD, (2020a). The short-term Impact of COVID-19 on the Social Support Services Sector. [online] Available at:

[https://www.easpd.eu/fileadmin/user\\_upload/Publications/eas\\_003-21\\_report\\_on\\_impact\\_covid\\_19\\_v3.pdf](https://www.easpd.eu/fileadmin/user_upload/Publications/eas_003-21_report_on_impact_covid_19_v3.pdf)

EASPD, (2020b). 1<sup>st</sup> Snapshot Report: The Impact of COVID-19 on Disability Services in Europe. [online] Available at:

[https://www.easpd.eu/fileadmin/user\\_upload/Publications/impact\\_of\\_covid-19\\_on\\_disability\\_services\\_in\\_europe\\_a\\_first\\_snapshot.pdf](https://www.easpd.eu/fileadmin/user_upload/Publications/impact_of_covid-19_on_disability_services_in_europe_a_first_snapshot.pdf)

EASPD, (2020c). Joint Position Paper: COVID-19 and Social Services: what role for the EU? [online] Available at:

[https://www.easpd.eu/fileadmin/user\\_upload/Publications/joint\\_position\\_paper.pdf](https://www.easpd.eu/fileadmin/user_upload/Publications/joint_position_paper.pdf)

EASPD, (2020d). 2<sup>nd</sup> Snapshot Report: The Impact of COVID-19 on Disability Services in Europe. [online] Available at:

[https://easpd.eu/fileadmin/user\\_upload/Publications/second\\_report\\_impact\\_of\\_covid-19\\_on\\_disability\\_services\\_in\\_europe.pdf](https://easpd.eu/fileadmin/user_upload/Publications/second_report_impact_of_covid-19_on_disability_services_in_europe.pdf)

EASPD, (2021). EASPD Position Paper on the EU Care Strategy. [online] Available at:

[https://www.easpd.eu/fileadmin/user\\_upload/EU\\_Care\\_Strategy\\_EASPD\\_Position\\_Paper\\_1\\_-1-24.pdf](https://www.easpd.eu/fileadmin/user_upload/EU_Care_Strategy_EASPD_Position_Paper_1_-1-24.pdf)

EASPD, (2022). Press Release: “Stop the cost-of-living crisis from impacting Social Service provision”.

European Disability Forum (EDF), (2020a). Poverty and Social Exclusion of Persons with Disabilities, European Human Rights Report, *Issue 4*. [online] Available at: [https://mcusercontent.com/865a5bbea1086c57a41cc876d/files/ad60807b-a923-4a7e-ac84-559c4a5212a8/EDF\\_HR\\_Report\\_final\\_tagged\\_interactive\\_v2\\_accessible.pdf](https://mcusercontent.com/865a5bbea1086c57a41cc876d/files/ad60807b-a923-4a7e-ac84-559c4a5212a8/EDF_HR_Report_final_tagged_interactive_v2_accessible.pdf)

EDF, (2020b). Open letter to leaders at the EU and in EU countries: COVID-19 – Disability inclusive response. [online]

Available at: <https://www.edf-feph.org/newsroom-news-open-letter-leaders-eu-and-eu-countries-covid-19-disability-inclusive-response/>

EDF, (2022). Increasing cost of living: Persons with disabilities hit harder by Andre Felix. [online] Available at:

<https://www.edf-feph.org/increasing-cost-of-living-persons-with-disabilities-hit-harder/>

Eurofound, (2022). Adapting to a New Reality: Provision and Use of Personal Social Services in COVID-19 Time. Unpublished study.

European Commission, (2022). Study on social services with particular focus on personal targeted social services for people in vulnerable situations. [online] Available at: <https://op.europa.eu/en/publication-detail/-/publication/cd93f493-d7e9-11ec-a95f-01aa75ed71a1/language-en>

Eurostat, (2018). *Glossary: Inflation*. [online] Available at: <https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Inflation>

Federation of European Social Employers (FESE), (2022). Energy crisis: from emergency measures to more sustainable social services. [online] Available at: <https://sociaemployers.eu/files/doc/Energy%20crisis%20from%20emergency%20measures%20to%20more%20sustainable%20social%20services-Final.pdf>