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**Manchester City Council  
Report for Information**

**Report to:** Economy Scrutiny Committee – 28 October 2015  
**Subject:** Worklessness and Health  
**Report of:** Head of Work & Skills and Director of Public Health

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**Summary**

This report sets out the measures in place to address long term worklessness for those who have health conditions and are furthest away from the labour market which sits within the joint Health and Wellbeing Board and Work and Skills Board 'Bringing people into full employment and leading productive lives' strategic priority. It outlines the programmes in place in the city to help people back to work, including the approach taken to support people with mental health conditions. The report references the key challenges faced in driving change in this area.

**Recommendations**

That the Committee notes and comments on the progress made on delivery of the work and health priority within the city's Health and Wellbeing Strategy.

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**Wards Affected:**

All

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**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Joint Health and Wellbeing Strategy:

[http://www.manchester.gov.uk/directory\\_record/91156/joint\\_health\\_and\\_wellbeing\\_strategy/category/762/health\\_and\\_wellbeing](http://www.manchester.gov.uk/directory_record/91156/joint_health_and_wellbeing_strategy/category/762/health_and_wellbeing) - 12k

Health and Wellbeing Board: Work and Health: Update on Strategic Priority Seven, March 2015.

Evaluation reports for the Fit for Work Services.

## **1. Background**

1.1 Strategic Priority 7 of the Joint Health and Wellbeing Strategy, 'Bringing people into full employment and leading productive lives' is a shared responsibility between the Work and Skills Board and the Manchester Health and Wellbeing Board. The context for the priority is as follows.

1.2 The interrelationship between health and work is vital to the economic and social wellbeing of a local economy, particularly in major cities such as Manchester. Being out of work, or in some instances never having been in work, puts individuals at increased risk of ill health and premature death, with all of the associated costs to society that this involves.

1.3 Supporting individuals back into work and assisting them to sustain work where they have long term health issues not only boosts the local economy but improves the life chances and health outcomes for individuals and their families. Alongside this is the need to ensure that work supports good health.

'Good work' ensures that the health benefits of employment are realised and sustained. A healthy workplace is characterised by a safe and healthy working environment, clarity of expectation on staff, feedback on performance, and employees having some control and influence over their work. The business case for promoting and supporting employee health and well-being has been well documented. Employers can gain clear benefits in reducing employee turnover and increasing the productivity and engagement of employees.

1.4 The latest DWP information on out of work benefit claimants in the city indicates that whilst the total number of claimants has continued to drop, with 5,100 fewer claimants between November 2013 and November 2014 (which does however not include Universal Credit claimant figures), Employment Support Allowance (ESA) claims have steadily risen and the proportion of people claiming an out of work benefit because of a health condition has therefore increased. Over 33,000 Manchester residents were claiming Employment Support Allowance and other sickness related out of work benefits in November 2014. Half of those are claiming primarily because of a mental health condition. There is also a flow of new claims for Employment Support Allowance from residents who have fallen out of work due to a mental health condition that it is critical to stop. There is strong evidence that once out of work, an individual's health is more likely to deteriorate and they risk falling into poverty, impacting on their family. 80% of people off sick for more than six months or longer will be off work 5 years later.

## **2. Health and Work Delivery Plan**

2.1 The Work and Skills Board and the Health and Wellbeing Board approved the delivery plan for the 'Bringing people into full employment and leading productive lives' priority in February and March 2014 respectively and an updated version of the plan in March 2015. A Work and Health Driver Group chaired by Dr Mike Eeckelaers, Central Clinical Commissioning Group (CCG) and a member of both Boards leads the work of the group. The Group meets

regularly to take forward the delivery plan which focuses upon improving employment outcomes for people with health conditions. Delivery has also been supported by the establishment of a GP health and work group to provide clinical input. Work and health is a core element within the Manchester Locality Plan for Health and Care Devolution, within the Public Health section of the Plan.

2.2 The following section of the report provides an overview of the progress that has been made in implementing the priorities within the Health and Work Delivery Plan which fit within three themes.

- **Health and Work Programmes**
- **Primary Care & Commissioning**
- **Organisational Leadership for Healthy Work**

### **3 Health and Work Programmes**

3.1 The biggest local integrated health and work service development in recent years has been the development of the GM Working Well model which supports ESA claimants who have been through the Work Programme without moving into work. Prior to the design and development of Working Well which Manchester stakeholders were closely involved in, Manchester established two local programmes to test the integration of health and employment outcomes for a broader cohort of residents. 'Fit for Work' (out of work) was originally a pilot within North CCG to support patients with health conditions to move towards and into employment which has been rolled out to other areas of the city and is now known as 'Healthy Manchester'. Fit for Work (in work) is a city-wide service which supports patients who are in work but off sick and at risk of losing employment to return to work as quickly as possible.

3.2 A central outcome for both projects has been a step change in engagement by CCGs and GP practices in the employment agenda. The lack of integration between health and employment services has been a real barrier to the delivery of employment outcomes for people with health conditions previously. There is a need to build upon this to ensure that Manchester can proceed at pace with the GM Mental Health & Employment Pilot summarised in section 3.15 of the report and other devolution developments.

#### **3.3 Fit for Work (North Manchester out of work pilot)**

This pilot commenced delivery in the North Manchester CCG area in November 2013 prior to the commissioning of Working Well across GM, in recognition of the fact that unemployed Manchester residents with health conditions were not receiving the right support under mainstream employment support services, including the Work Programme. It was designed to test whether improved employment outcomes can be achieved through a health-focussed pathway. The service relies on GP engagement via referral of out of work patients of working age with health conditions to condition management and work progression services. Nine practices participated in the pilot which was delivered by Pathways CiC who also deliver the 'in-work' service. The

- service is telephone based and clients are offered access to support within three working days of referral and a bio-psychosocial assessment within ten working days. Importantly, GPs have not needed to establish eligibility for the service by benefit type or status which has been critical in terms of their willingness to participate in a simple referral process.
- 3.4 To date, the breakdown of benefit type of clients engaged has been; 53% ESA awaiting assessment, 17% JSA, 8% not claiming Out of Work benefits 8% ESA Work Related Activity Group (WRAG) and 8% ESA Support group.
- 3.5 An interim evaluation of the project was completed in September 2015. 64% of clients engaged up until March 2015 had mental health issues and 17% had musculoskeletal problems as their primary condition. 56% were over 40 years of age, 47% had no qualifications, and 56% had been unemployed for over 2 years. The support delivered included motivational interviewing /behaviour change, health condition management and self-care, support to access mental health services, work clubs and training courses. By March 2015, 28 patients had moved into employment, and others reported significant improvements in feeling positive about returning to work, anxiety/depression scores, pain/discomfort and self-care. Uptake of voluntary work and engagement in social groups had improved and client consultations with GPs had reduced by one third. See Appendix 1 for a case study.
- 3.6 The Fit for Work (now 'Healthy Manchester) Out-of Work service has been commissioned as an expanded offer to cover selected practices within North, Central and South Manchester from April 2015. Eighteen GP practices have now signed Memoranda of Understanding to be pilot practices for the extended delivery.
- 3.7 In addition to GP surgeries, Healthy Manchester is now offering enhanced referral pathways to mental healthcare provision, including IAPT (Improving Access to Psychological Therapies) delivered with the Manchester Mental Health and Social Care Trust, IAPT delivered by Self Help Services, and EIP (Early Intervention into Psychosis). This is in line with the Greater Manchester Mental Health and Employment CQUIN described in section 4.2 of this report. We are monitoring the demand for Healthy Manchester services which arises from mental health providers. A piece of work is underway to develop clear pathways between healthcare providers and wider services e.g. work clubs, as Healthy Manchester is unlikely to have capacity to meet the referral demand.
- 3.8 The Fit for Work / Healthy Manchester service has been integrated with the Working Well programme, both through a sub-contracting arrangement between service delivery partners (Pathways and Big Life), and through the Manchester Working Well Integration Board, which now oversees both programmes. This will support learning between the two services and will build the evidence on what works for the up-scaling of Working Well. What has been evident from the pilot is that the role of the GP as an influencer on their patients can be extremely effective in encouraging people to engage with a health and employment service.

- 3.9 The expansion of the GM Working Well programme will afford us an opportunity to forward the Health and Work agenda in a number of ways, including the adoption of a 'key-worker' model for identified cohorts and a GP referral pathway. Work on this is ongoing and fits into the wider devolution agenda, however there are some challenges in the delivery of a model which replicates the universal referral route for workless patients, irrespective of benefit type.

### **3.10 Fit for Work (In work) service**

This is a city wide service designed to take GP referrals of patients who are in work but off sick to prevent them from falling out of employment. Manchester City Council has funded this service from April 2013 following on from a GM pilot with a strong evidence base as an early intervention to prevent worklessness. The telephone based service provides condition management advice, access to Cognitive Behavioural Therapy (CBT) and physiotherapy, HR advice and negotiation of return to work plans between patients and employers. The three Clinical Commissioning Groups provided a contribution to funding the service in 2014/5.

### **3.11 Clients' views**

The integrated nature of the support that focuses holistically on the psychological and social determinants of health is recognised and valued by clients. Clients who responded to a Pathways survey noted:

*"The Service helped me understand how making changes to my lifestyle, could help control my anxiety. I found the support incredibly helpful. "*

Similarly,

*"The Fit for Work service helped me to better understand my situation and assess my options. It helped me realise that the best decision was to change my choice of employment, taking up a new role and this has proven the right decision to date. The change of culture and environment, where I now feel appreciated and my skills and experience are better used, was a major step on my recovery from the stress-related depression I was suffering from. "*

### **3.12 GP view**

*"Fit for Work makes a big difference to my patients to enable them to have a holistic view of their problems and realistic and manageable goals back into work."*

- 3.13 The service has delivered strong engagement from GP practices across the city – 77 practices referred in 594 patients between April 2013 and October 2014. 57% of the referrals were for patients who were off sick with a mental health condition. An interim evaluation of the service during that timeframe found that there were substantial improvements in health and wellbeing and ability of patients to self-manage conditions. Both patients and GPs believed that the service had enabled patients to return to work earlier and prevent the loss of jobs and that it enabled the wider determinants of health to be addressed. It is a relatively low cost intervention which falls well within the

NICE cost effectiveness threshold. The programme is estimated to generate a total public value return of £5.74 for each £1 invested.

- 3.14 GPs have provided strong feedback that they find the fast assessment process and rapid access to CBT and physiotherapy highly valuable due to waiting times within existing services. This is reflected by the NHS Five Year Forward View published in November 2014, in which NHS Chief Executive Simon Stevens identified the need for the NHS to support people to move into and stay in employment.
- 3.15 A new national service (also called Fit for Work) has been commissioned by DWP for people at risk of falling out of work. This is a programme delivered by Maximus for those who are out of work for four weeks or more. Payments are triggered on the production of a written return to work plan, and the service provides little of the interventions and ongoing support which we commission from the local service. We are monitoring the impact of this national service as it develops.
- 3.16 Delivery of the Manchester Fit for Work In-Work service is continuing city-wide, now part-funded through the three Manchester CCGs. The focus is now on ensuring that this successful model can be sustained and ideally rolled out across GM through the Devolution Agreement and in particular, through health commissioners investing in this model.

#### 3.17 **Greater Manchester Mental Health & Employment Pilot**

The Greater Manchester Growth Deal was published in July and included the announcement of a mental health and employment trailblazer pilot. The pilot will test mechanisms to boost employment and clinical outcomes for people with mental health conditions. This is one of four pilots nationally building on the first phase of the Department for Work and Pensions and Department of Health's scoping trials. The Trailblazer has now been incorporated within the GM Working Well expansion which is the subject of a separate report to this Committee.

- 3.18 In recognition of the current lack of capacity of the mental health system to meet demand across Greater Manchester and the opportunity to better integrate mental health services with other public services to improve sequencing and outcomes, a Greater Manchester Mental Health Strategy is being developed. This incorporates the need to better integrate employment and mental health services, which in Manchester will include the role of Early Help Hubs.

#### **4 Primary Care and Commissioning and Incentives to integrate work and health pathways**

- 4.1 The lack of integration of health and employment services has been identified by the Health and Wellbeing and Work and Skills Boards, as well as practitioners across Greater Manchester as a key challenge within Public Service Reform.

4.2 A CQUIN (Commissioning for Quality and Innovation) has been developed for use by GM Mental Health commissioners in relation to mental health and employment. CQUINS are a payment framework which enable Clinical Commissioning Group (CCG) commissioners to reward excellence, by linking a proportion of the healthcare providers' income (up to 2.5%) to the achievement of local quality improvement goals. In Manchester, the Work and Health Delivery Group has led on the development of this CQUIN with the Manchester Mental Health and Social Care Trust.

4.3 In Manchester we have co-designed the CQUIN with the CCG City-wide commissioning team. We are also working with them to determine how the City Council and partners will work with the Trust to ensure that monitoring of employment status is effective, that staff are trained on work as a health outcome and that an integrated local employment offer is in place for the referral pathway. This has led to further discussions about the remodelling of psychological therapy services (IAPT) and how we can integrate a wider offer to improve work and health outcomes for people with mental health issues.

#### **4.4 Routine monitoring of employment status in primary and secondary care**

Both Boards have agreed a recommendation that the employment status of patients should be routinely monitored by all health care providers given the health risks associated with unemployment, and patients referred to the right support. This has proved complex to implement, however the following progress has been made.

- Employment outcomes have been included in the 'One Team' 2020 Commissioning Specification – the delivery vehicle for Living Longer, Living Better.
- All three CCG Executive Teams have endorsed the proposal to implement routine monitoring of employment status within healthcare provision. This is a requirement of all practices who have signed up to the Healthy Manchester service. Primary Care IT systems are currently being configured to make this a reality.
- Commissioners in South and North Clinical Commissioning Groups have made a request that we work within the redesign of their MSK (Musculoskeletal), pain and rheumatology services, to enable providers to focus on work as a health outcome and create appropriate referral pathways. This marks a significant step forward.

4.5 A GP health and work clinical sub group has been formed to ensure clinical participation in the design of routine monitoring of work status and design of referral pathways for those aged 16-65 who are out of work or at risk of becoming so. This is in anticipation of the GM Mental Health and Employment pilot expansion and to test support for incorporating routine monitoring of work status within primary care. This is an important marker of progress in terms of clinical engagement with the work and health agenda.



## **5 Organisational Leadership for Healthy Work**

- 5.1 The significant efforts made at both Manchester and Greater Manchester level to move people back into employment will not achieve maximum gain if the workplace cannot support people with health conditions or contributes to poor health, particularly mental health.
- 5.2 The health of the workforce is central to the realisation of economic growth ambitions, particularly in the context of longer working lives. The opportunities and incentives that might be utilised through GM Devolution to support the interface between the Health & Care and Work and Skills elements are currently underdeveloped. The NHS Five Year Plan also identifies Workplace Health as a key area through which employers should be incentivised to support health improvement opportunities via implementation of recognised workplace health standards.
- 5.3 We need to focus not only on getting people into employment, but ensuring that those jobs support good health and enable career progression throughout the working life. There is an economic case for stronger leadership across public, private and third sector partners at city and sub-regional levels.
- 5.4 Sick people cost their employer £620,000 per year in businesses employing more than 500 people. (Centre for Economics and Business Research [CEBR], on behalf of Unum, June 2012.) Similarly, a DWP report (February 2014) stated that more than 130 million days (ONS) are still being lost to sickness absence every year in Great Britain and working-age ill health costs the national economy £100 billion a year. The report estimates that employers face a yearly bill of around £9 billion for sick pay and associated costs, with individuals missing out on £4 billion a year in lost earnings. Meanwhile, around 300,000 people a year fall out of work and into the welfare system because of health-related issues. PricewaterhouseCoopers estimate the cost to be even higher, at an average of 9.1 days of absence per UK worker, costing UK business nearly £29bn a year.
- 5.5 There is wide variance in practice across public sector partners in relation to local employment and social value. If those in the most disadvantaged neighbourhoods are not beneficiaries of local employment opportunities at scale, the impact of economic growth will not be realised in those neighbourhoods. Whilst there is some good practice in terms of local employment and apprenticeship schemes, the Social Value Act is an under-used mechanism for driving good practice.
- 5.6 Both the Health & Wellbeing Board and Work & Skills Board have agreed as a first principle that they should work towards being exemplar organisations in relation to workplace health and local economic benefit, and collaborate to set improvement goals and share good practice. The impact on public sector partners in terms of absenteeism and lost productivity is very significant, and current practice lags way behind leaders in the private sector. The first stage of this is a baseline audit across Board organisations. The work has been

scoped by a senior management group from Central Manchester Foundation Trust, the three Clinical Commissioning Groups and Manchester City Council.

- 5.7 The potential reach of this work is to impact on the 40,000 people who are employed by Board organisations in the city, plus their supply chains and local people in the most disadvantaged neighbourhoods.

## 6. Well North

- 6.1 At Economy Scrutiny in July 2014, members received a presentation from Professor Aidan Halligan regarding the Well North Programme, a Public Health England Initiative to address the issues for those areas in the north of England with the poorest health outcomes. After careful consideration of the strategic fit of the programme within the context of other public service reform programmes underway, and the cash investment required, it was decided not to progress in the first stage pilots. Within Greater Manchester, Oldham Council is taking forward this work and we are tracking the learning as it emerges. Sadly, Professor Halligan passed away suddenly in April of this year. The Well North Work continues as his legacy.

## 7. Key challenges

- 7.1 Whilst significant progress has been made in the last two years there are a number of areas which have proved challenging or require greater focus:
- Routine monitoring of employment status in primary care is not in place. It has been difficult to establish a shared understanding of why this is important and prioritise capacity to deliver. Whilst there has been real progress in developing a shared understanding of work as a health outcome with some commissioners, we will work with the Clinical Commissioning Groups to give this greater momentum and drive.
  - Within health and social care commissioning the objective has been to identify priority health services and redesigns to ensure that work as a health outcome is incorporated where appropriate. This has made slow progress because it does not have sufficient profile and priority with commissioners. Redesign of pathways has continued without a focus on the wider determinants of health, including employment. The design of the Service Specification for '2020 One Team Place Based Care' under Living Longer, Living Better, provides a longer term opportunity to address this, but in the short term more work is needed to increase the focus on work and health outcomes within commissioning.
  - The need to revisit commissioning plans is pointed up most sharply by the February 2015 interim evaluation findings of the Fit for Work (In work Service):
    - *Supporting the resilience of health services is not only about reducing demand but providing alternatively funded services. During the evaluation period, for example, 252 clients accessed physiotherapy directly through Manchester Fit For Work. This not only avoided long waiting times but potentially saved £59,000 in NHS provision. Similarly,*

*215 clients accessed mental health provision for counselling, Cognitive Behaviour Therapy and anger management.*

- Both the Health and Wellbeing Board and Work and Skills Board members are significant employers within the city. Whilst there is good practice from Board Member organisations in terms of workplace health, employment of apprentices and supported traineeship schemes, this needs to be scaled up to make a significant impact, specifically in relation to disadvantaged groups including people with mental health conditions. This is a large agenda which requires significant co-ordination across Board partners, and some dedicated capacity to drive it.
- Initiatives such as Fit for Work/Healthy Manchester and Working Well have evidenced that clinical interventions are not necessarily what are needed to support increased self-efficacy and to move people who are workless due to a health condition towards employment. However, the current waiting lists for mental health services and minimal integration with employment and skills support services, are undoubtedly a barrier to improving both health and employment outcomes.
- The progress made to integrate pathways between work and health particularly in relation to local Fit for Work programmes may be put at risk by further public funding reductions within both the local authority and CCGs. The gains made particularly with GPs will be lost if the momentum generated by the programmes outlined in this paper is not sustained. Greater Manchester developments under the Devolution Agreement need to be flexible enough to support the local approach that we need to sustain. We are working closely with GM partners to mitigate this risk.

## **8 Conclusion**

Making work and health a joint strategic priority across the Health and Wellbeing Board and Work and Skills Board has enabled significant progress to be made, however the next three years will be critical in terms of sustaining the gains made and accelerating the pace of progress.

## **Appendix 1, North Manchester Fit for Work pilot case study**

Pathways CiC have provided the following case study which shows the intensity of the support offered under the pilot and the impact the service is having on clients.

Client A is aged under 20. He was referred into the service by his GP in February 2014. At the point of referral Client A's GP had given Client A a three month fit note. The referral detailed that Client A was 'on long term sick and suffered with anxiety but could cope with public transport'.

Client A advised that he had been out of work for approximately 2 years at point of referral into the service. He was in receipt of ESA and advised that he had been on medication for 6 years for anxiety and depression following an accident. He advised that he experienced flashbacks following a gas explosion that took place at home when he was younger. Since that point he has received psychiatric support and support with drug and alcohol addictions.

Client A had previously held one job since leaving school as a telemarketing sales advisor that lasted for one month in 2011. He advised Pathways that he would like to find the right work but didn't know how to go about it.

### **Advisor actions included:**

- Healthy diet and exercise recommendations
- Graded exposure techniques to increase getting out of the house and using public transport
- Researched local voluntary opportunities
- Activated referral to local work club
- Supported client to register with Universal Jobmatch
- Signposted client to National Careers Service
- Supported client to enrol onto Princes Trust placement
- Support with job applications

### **Outcomes**

Client A completed his Princes Trust placement and has been nominated to become a Princes Trust ambassador. Client A has gone on to secure full time employment with JD Williams warehouse as a warehouse assistant. Client A will continue receive ongoing in work support via tracking to support his job retention and wellbeing.

Socially Client A has made new friends and continues to enjoy cycling.

Client A has expressed his appreciation for the support received from the service which he says has helped him to regain his confidence and self-belief.

Client A's journey is captured on the Wellbeing STAR where blue (darker inner line) indicates scores upon service entry, green (lighter outer line) indicates scores upon discharge.

