

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 14 October 2021

Subject: Work and Health

Report of: Director of Inclusive Economy

Summary

Working Well is a well-established Greater Manchester Combined Authority commissioned programme which is based on a key worker model bringing together support to tackle barriers that affect people’s ability to enter the labour market and sustain jobs. It has evolved since 2014 to reflect a focus on different target groups, with the latest being the Work and Health programme. In 2020 it was expanded with the JETS programme as part of the National Plan for Jobs in response to COVID19.

The purpose of this report is to provide an update on the activity of the most recent Working Well programmes (Work & Health, Early Help and JETS) and the impact of the programme overall in Manchester.

Recommendations

Members are recommended to comment on the report and support continued delivery.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Social value commitments from contract providers will be directed across a number of priorities as set out in the Social Value Policy including delivery against net zero carbon projects and activity.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Working Well is focused on good quality sustainable jobs. The programme tackles barriers to work enabling participants to pursue a wider range of careers that may have been limited had they not received support.

A highly skilled city: world class and home-grown talent sustaining the city's economic success	Working Well prioritises skills as a core area to support participants into work. This supports residents with no skills and those with low skills to progress and increase their employability.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Health conditions can act as a barrier to employment and learning. The report sets out how Working Well supports participants to access opportunities through an inclusive service.
A liveable and low carbon city: a destination of choice to live, visit, work	Working Well provides a mechanism for residents to progress on an employability pathway reducing the number of economically inactive claimants across the city benefitting the economy and destination.
A connected city: world class infrastructure and connectivity to drive growth	The Council and Partners work together to take maximum advantage of infrastructure and connectivity opportunities to increase employment through the Working Well programmes.

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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.

Our Manchester Strategy – Forward to 2025, Executive (March 2021)
Work and Skills Strategy 2016-21

1. Introduction

- 1.1. Working Well began in 2014 as a pilot designed between Greater Manchester (GM) and Department for Work and Pensions (DWP) focused on a person centred, Key Worker model that addresses work and health barriers. This model has been the central tenant of all subsequent Working Well programmes to enable a holistic approach to understanding the barriers that participants on the provision face and tackling those in an integrated way with wider partners. The Working Well programme aims to bring residents back to work who have been long term unemployed, including those who have a health condition. Since 2014 the number of Manchester claimants who are long term unemployed or with health conditions has remained static. In February 2014 there were 55,942 Manchester out of work benefit claimants which rose to 56,784 by February 2020 prior to the pandemic (the latest data for February 2021 stands at 77,699 as a result of Covid-19). Out of Work Benefits include Employment Support Allowance, Incapacity Benefit, Jobseekers Allowance and Universal Credit Planning/Preparing/Searching for Work).
- 1.2. This report will cover the following Working Well programmes and provide a contextual overview of health and work and future provision. The report also includes two Work and Health Programmes Case Studies in Appendix 1.
 - Work and Health Programme (WHP)
 - Early Help (EH)
 - Job Entry Targeted Support (JETS)
 - Specialist Employment Service (SES)
 - EnterprisingYou
 - Be Well (local programme)
- 1.3. While the outcomes for the programmes have been impacted by Covid-19 they have continued to provide the main employment provision in the City for residents who have health conditions. Overall the Working Well provision has been a success for Manchester residents and businesses. The programmes have woven together the issue of work and health to support residents to receive a holistic service. Working Well has also driven Real Living Wage outcomes for Manchester residents through the payment mechanism for providers delivering the programmes. The total impact of Covid-19 on the economy would be worse had the Working Well programmes not been in place to support residents.
- 1.4. Economic Scrutiny has previously received reports on the Working Well provision, this report focuses on the family of programmes that are still active with the total investment of over £100m in employment provision across GM since 2014. This has strengthened relationships with Jobcentre Plus (JCP) and health system partners through innovative programmes like Early Help.
- 1.5. Working Well has shaped and influenced Government thinking and design of work programmes through the devolution agenda. More recent national programmes such as Kickstart and Restart have not been designed or

delivered through the devolution mechanism. The UK Shared Prosperity Fund (UKSPF) is an example of a major funding pot that we would want to design and deliver on a devolved basis to ensure the best opportunity to combat the challenges in our local economy. GM continues to work with the Department for Health and Social Care and NHS on the Health is Everyone's Business agenda to shape future provision to provide integrated services for those residents who are out of work due to ill health.

2. Health and policy context

- 2.1. The Build Back Fairer in Greater Manchester report highlighted the disparities in the risks of illness and death for Covid-19 itself – with mortality in Greater Manchester 25% higher than in the rest of England and in the socio-economic impacts of the response to the pandemic. Covid-19 has highlighted and exacerbated inequalities, particularly for people from Black, Asian and Minority Ethnic (BAME) groups, disabled people, older people, children and young people, women and those on low incomes. This is the subject of a separate report to Economic Scrutiny on the 14th October 2021.
- 2.2. The Manchester Population Health Plan 2018-2027 sets out a priority of 'Strengthening the positive impact of work on health' with the key measures being:
 - Reducing the rate of health related worklessness
 - Improve the connections between out of work assets such as local work clubs
 - Increase the number of people with health problems helped back to work quickly
 - Increasing recruitment of local people in health and care organisations
- 2.3. This report provides evidence that strong progress is being made towards this priority despite the impact of Covid-19.
- 2.4. The key statistics below provide contextual information for this report by detailing the impact of the Covid-19 driven recession.
 - Increase in furloughed workers and newly unemployed has increased the risk to individuals already facing disproportionate competition or complex barriers to securing and sustaining work particular those who do not engage with JCP and wider provision. This can be seen through starts to the WHP post pandemic.
 - Unemployment in Manchester is currently 6.5% up 0.7% since December 2019.
 - The claimant count rose to 30,510 in August 2021 from 16,390 in January 2020. 60% of claimants are men.
 - Unemployment most severely affected young people (18-24) initially, though all age groups have been impacted and the 25-49 group is currently experiencing highest levels of unemployment. The WHP provides evidence that the older a client is on programme the less likely they are to start work.

- Universal Credit claims rose from 40,792 in February 2020 to 78,132 in July 2021, 37% are in work / 63% out of work claimants. 36% of UC claimants are currently searching for work. The 'no work requirements group' continues to rise from c10,000 to c17,000. This work group could include those with a disability or long term health condition.
- Wages in Manchester have risen in the last 12 months by 5.7% from £1,714 per month to £1,811.

3. Working Well programmes

- 3.1. This section provides an overview of each programme and its impact in Manchester.

Work and Health Programme

- 3.2. The £52m Work and Health programme was launched in 2018 eventually supporting 22,000 people across GM. The programme incentivises Real Living Wage outcomes through a key worker led model to support people tackle their barriers to employment. The target cohort for the programme is the long term unemployed and disabled people capable of entering work within 12 months. In Manchester the programme is operationally delivered by the Growth Company. During 2020 the programme was seen as a lifeline for many due to impact of Covid-19. The programme adapted quickly shifting to remote delivery overnight with an increase in signposting to health services and introduction of a self referral route. WHP is performing well in Manchester with some areas for improvement.
- 3.3. To date across GM there have been 16,470 programme starts with 3,674 in Manchester which is above the profile target of 3,287. The WHP 2021 Annual Report (data to March 2021) sets out that the overall conversion rate for referrals in GM is 75% dropping to 65% in Manchester. This highlights a wider issue with engagement in programmes and is a focus on the ongoing work by Manchester's Working Well Integration Board. The Board has focused on the quality of initial referrals from JCP offices and relationship with the provider in increasing engagement and accessibility in the programme.
- 3.4. The pandemic has seen less Manchester Long Term Unemployed (LTU) clients on the programme (down -12%) and an increase in early entrants (up +9%), this means that those already furthest away from work will have their circumstances exacerbated. The LTU group was no longer mandated to start the programme during the pandemic. Those clients in the Health and Disability Group continue to be the highest group starting the programme in GM and Manchester both pre and post pandemic. In GM the pandemic has seen, on average, younger people join the programme and an increase in female clients. Overall the type of clients joining the programme has shifted since the pandemic started - most notably age, length of unemployment, number of barriers to work and severity of health conditions. This has meant the cohort is likely easier to move into work than previously.

- 3.5. Over half of all GM clients to the programme have at least one health condition, 68% of that group having multiple conditions. At GM level the type of conditions both pre and post pandemic have not changed significantly; physical health (33% pre and 31% post), mental health conditions (31% pre and post). The most common conditions include anxiety (25% pre and post), depression or low mood (23% pre and post) and problems with back (10% pre and 9% post). The support offer for WHP includes several in house and external health specific options including mental health platforms SilverCloud (Manchester) and Be Mindful (other parts of GM).
- 3.6. To date there have been 5,350 GM job starts, 1,255 of these were in Manchester, this is below the profiled job starts for the City of 1,793. The latest WHP Annual Report (data to March 2021) shows that the LTU group has the lowest job start rate in GM 28%, with Health and Disability group the highest at 33%. Manchester's job start rate is 33%, slightly higher than the GM overall rate of 32%.
- 3.7. Econometric analysis provides insight into the 'likelihood of achieving a job start'. Insights are provided below at a GM level.
- Clients who are older, long term unemployed, with no qualifications are less likely to start jobs.
 - For older clients the probability for starting work is 40% at 20 years old falling to 20% for 60 year olds.
 - Clients more confident about being in work are more likely to start a job.
 - Clients with caring responsibilities 22% are less likely to start a job than those without 27%.
 - As a client's number of health conditions increases the probability of them starting a job falls by 1.31 percentage points.
 - Clients who exercise regularly are more likely to start a job 27% compared to those who do not exercise 25%.
 - Those with a driving license 31% more likely than those without 25%.
 - The impact of Covid-19 means that Early Entrant (EE) and LTU clients are less likely to move into work. Those unemployed for longer are less likely to move into work. Those with lower confidence less likely than before.
- 3.8. Caring and customer service jobs have become more likely since the pandemic. The proportion of jobs paying the Real Living Wage has increased from 26% to 29%.
- 3.9. To date 2,752 GM job starts turned into 'Earning Outcomes' with 640 in Manchester below profile of 870. GM incentives Real Living Wage outcomes (the National version of WHP uses the lower National Living Wage).
- Earnings Outcomes are triggered when a client is employed and meets the accumulated earnings threshold – equivalent to working for 16 hours per week for 182 days at the adult rate (aged 25 or over) of the Real Living Wage – within 15 + 6 months of starting the programme.

- The Higher Earnings Outcomes are triggered when a client reaches the Earnings Outcome threshold within six months of starting work.
- 3.10. Manchester performs slightly below the GM average for '*clients with a job start 15 months ago that have an Earning Outcome*' (53% vs 54%) and '*Higher Earning Outcome*' (47% vs 48%.) At GM Level econometric analysis showed:
- White clients 9% were more likely to have achieved an Earning Outcome than other ethnicities 8%, for job starts there was no significant effect by ethnicity.
 - Male clients 8% are less likely to have achieved an Earning Outcome than female clients 10%, these was no significant affect by gender on job starts.
- 3.11. It is important to acknowledge that Manchester residents are benefiting from Real Living Wage jobs as a result of WHP although our performance is behind the GM average and initiatives such as the Manchester Anchors Pilot and GM Good Employment Charter are needed to continue to drive up pay across the city and particularly in the foundational economy. Across Manchester wages have risen in the last 12 months by 5.7% in the previous 12 months from £1,714 per month to £1,811 which in part has been driven by the vacancies in the foundational economy.
- 3.12. 62% of all GM job starts are still in work demonstrating the sustainability of jobs on the programme. 36% of Manchester clients who started work are no longer in any job, slightly lower than the GM average of 38%. The main reason at GM level for leaving a job was; temporary employment 20%, the client found the job was not a good fit 13%, the client was unable to manage their health condition 13%.
- 3.13. The insights below are provided from current Manchester only programme data to supplement findings from the WHP Annual Report 2021. They enable a more in-depth analysis of the provision.

Insight	Commentary
34% of Manchester clients on the programme have moved into a job	The WHP supports a significant number of our residents with complex barriers into work.
35% of Manchester clients who joined the programme are from Black, Asian, Minority Ethnic backgrounds. The job start rate for this cohort is 37%.	The job start rate for clients from (Black, Asian, Minority Ethnic backgrounds) 37% is higher than the overall job start rate of 34%. After (White British), (Asian/Asian British) and (Black/African/Caribbean/Black British – African) had the largest cohorts on the programme with job start rates of 30% and 46% respectively.

52% of Manchester clients on programme are aged 25-49 with the second highest group 24% 50-59.	Those aged 18-24 39% and 25-49 37% have the highest employment rates by age group.
Male clients 60% make up the majority of the cohort with female 39% and all other 1%.	Male clients have a higher job start rate 38% than female clients 26%.
47% of clients have a health condition. 10% of clients have a learning disability.	Those with a health condition have a lower job start rate 29% compared to the programme average. Those with a learning disability also have a 29% job start rate.
Residents starting the programme most commonly came from the following Jobcentres <ul style="list-style-type: none"> • Rusholme 23% • Cheetham 18% • Wythenshawe 16% • Newton Heath 13% • Openshaw 13% 	Jobcentres serving North Manchester residents represent 31% of clients while Rusholme 23% provides the highest number to the programme. The Jobcentres with highest client job start rates are Rusholme 23%, Wythenshawe 16% and Cheetham/Newton Heath 15%.

Working Well – Early Help

- 3.14. WWEH is a £6.5m test and learn early intervention programme available to residents in all 10 local authority areas in Greater Manchester. It aims to support a return to sustained employment for individuals with a health condition or disability who have either recently become unemployed or taken medical leave from an existing job. Referrals could come from a GP, JCP or Employer pathway (in Manchester the GP practice pathway was not used due to the existence of the Manchester Fit For Work service which evolved within the Be Well model).
- 3.15. Manchester has seen 438 starts onto the programme with 46% of those returning to work and 27% of unemployed referrals supported into employment. Due to Manchester not engaging with the GP referral pathway comparisons with GM have not been made.
- 3.16. This programme has helped drive Disability Support Webinars with Small, Medium enterprises (SMEs) offering to upskill businesses to deal with a variety of health conditions such as Depression, Anxiety and Autism. The webinars also help business how to make adjustments to help staff with musculoskeletal conditions.

Working Well - JETS

- 3.17. The Job Entry Targeted Support (JETS) programme is a £19.5m extension of the Work and Health programme designed as a light touch provision to support those impacted by COVID19 who have been claiming benefits for over 3 months to move rapidly back into work. The programme has recently been

extended for a further 12 months originally starting in October 2020. JETS is performing very well for Manchester.

- 3.18. 5,364 Manchester residents have been referred to the JETS programme, 32% of the Greater Manchester contract. This evidences the need and strong performance by agencies to combat the Covid-19 driven recession. In Manchester 2,892 of the referrals have started the programme with 1021 (29% of all GM job starts) starting a job and 693 achieving a job outcome. The programme has performed well and is achieving its purpose as a response to Covid-19. Of those who were referred but did not start the programme the main reasons were 'unable to contact 20% / attend 24%'.
- 3.19. Manchester clients are slightly above the GM average for active clients with work skills as a barrier (33% compared to 32%) and ICT as a barrier (42% compared to 41%). This continues to evidence need for employability and digital inclusion to be cornerstone provision for work and skills services. 19% of Manchester clients have been referred to wider services using the Elemental tool which is much higher than the GM average of 7%. Elemental referrals can include ICT, CSC cards (construction), Health and Social Care and ESOL services.
- 3.20. An in-depth study of JETS and WHP across GM was conducted in April 2021. The study found that JETS has a higher number of Black (9% vs 5%) and Asian (14% vs 9%) clients compared to WHP. This can be seen as a positive of the programme in terms of access for communities impacted by Covid-19. Clients on JETS across GM are younger than on WHP again reflective of the rise in youth unemployment. The majority of JETS clients 71% have been unemployed for less than one year and are more likely to be qualified with over half possessing a Level 3 qualification and 7% with no qualifications compared to 14% on WHP.

Specialist Employment Service (SES)

- 3.21. SES is a £4m three year programme launched in August 2020 for 1,200 participants with complex health needs and disabilities. The provision comprises Supported Employment for people with a learning disability and or autism and Individual Placement Support for people with severe mental health. Remploy provide the service for Manchester residents. The service brings together funding from the Mental Health Transformation Fund, European Social Fund, ten GM Local Authorities and One Clinical Commissioning Group.
- 3.22. The programme started at the height of the pandemic impacting on initial performance and referrals from clinical routes. Further updates will be available as this important programme progresses.

Working Well – EnterprisingYou

- 3.23. The EnterprisingYou pilot programme is delivered by the Growth Company and People Plus to support GM's self-employed residents and those working

in the gig economy. It provides a range of bespoke personal and professional training and development opportunities. While not a direct health and work programme it does provide a significant contribution to supporting sustainable work and income for Manchester residents who are self employed.

- 3.24. 1,142 GM residents are on the programme, with 337 from Manchester. Of those Manchester residents on programme 118 completed with 97% being extremely satisfied with the support they received. 88% increased their skills and 54% saw an increase in turnover.

4. Manchester provision

- 4.1. Be Well is Manchester's citywide social prescribing and wellbeing service and compliments the Working Well provision in the city. Big Life Group is the lead provider for the service, working in partnership with a range of other organisations (Pathways CIC, Northwards Housing/Yes, One Manchester, Southways Housing, Wythenshawe Community Housing Group, and Citizens Advice Manchester).
- 4.2. The purpose of Be Well is to support improvements in physical and mental health and wellbeing, and reduce health inequalities, for individuals and communities. Be Well workers provide person-centred, holistic support, tailored to the needs and goals of each individual. This support enables people to increase resilience, live healthier lifestyles, improve mental health and wellbeing, address 'social determinants' needs (such as work, housing, money and family issues), and connect to networks of ongoing support.
- 4.3. The Be Well service has close links with primary care services in Manchester in as per Manchester's decision not to engage with the GP pathway of Working Well Early Help. Practices have a named Be Well contact, and a range of primary care practitioners, including GPs, can make referrals to the service - 100% of GP practices in Manchester have made referrals to Be Well in 2021/22 (year to date). Referrals can also be made by Integrated Neighbourhood Teams.
- 4.4. Work and health coaches support people to maintain or return to employment while managing their health conditions, and support with a range of employment-related issues including finding work, managing Covid-19 related work issues, accessing psychological or physiotherapy support for common work-related health conditions, returning to work after a period of unemployment, and accessing training/volunteering to develop skills. The work-related health offer within Be Well dovetails well with the wider work and health provision in the city by providing a direct pathway to employment/unemployment support from primary care and other health and social care provision, and enabling residents to access a holistic support offer to address a range of social issues and improve general mental and physical health and wellbeing.
- 4.5. Year to date in 2021, Be Well has received 3,601 referrals and provided 18,073 appointments (assessments and support sessions). In 2019 (before

the Covid-19 pandemic) the service was receiving around 400 referrals per month, in 2021 this has increased significantly to around 500-550 referrals per month, indicating an increased need for the service as a result of the Covid-19 pandemic. Around 50% of individuals currently supported by the service are receiving work and health support, against a target of 30% of service users receiving this type of support; this indicates an increased need for work-related health support as part of individuals' overall support package. 87% of employed individuals who receive work-related health support from Be Well are back in work by the time they leave the service (compared to a target of 80%). 43% of unemployed individuals who receive work-related health support from Be Well are engaged with further employment support, training, volunteering or work experience by the time they leave the service (compared to a target of 50%), whilst 37% have secured employment (compared to a target of 15%).

4.6. An independent evaluation of the Population Health Prevention Programme (of which the Be Well service is a part) is currently being completed. Interim findings indicate that in terms of wider outcomes and impact, Be Well is:

- Reaching its target population of individuals from the most deprived areas within the city, and individuals from diverse backgrounds (indicating impact on health inequalities)
- Supporting a much larger number of individuals with more complex/wider-ranging needs than originally anticipated when the service was designed, and working flexibly to tailor support appropriately
- Achieving very good outcomes for service users in terms of physical and mental health and wellbeing, work-related health and connection to community networks
- Reducing Accident and Emergency attendances.

5. Economic recovery

5.1. Alongside the Working Well provision the Government's Plans for Jobs was launched during Covid-19. This saw two major programmes launched which have supported employment outcomes though do not have a specific focus on health.

- Kickstart – Delivered locally by Jobcentre Plus, offers 6 month jobs for young people aged 16-24 who are currently claiming Universal Credit and who are at risk of long term unemployment. Employers are funded to provide jobs at 25 hours a week for 6 months paid at National Minimum/Living Wage. The programme has helped to tackle youth unemployment in Manchester although has seen implementation and performance challenges and is due to end in December 2021.
- Restart – Delivered locally by Ingeus for Universal Credit Claimants who have been out of work for at least 12 months providing enhanced support to find jobs. Will support 8,000+ Manchester residents over the next 3 years and has been supported during the implementation phase to begin delivery by the Manchester Working Well Integration Board.

5.2. Manchester's economic recovery plan has focused specifically on the following 7 Workstreams in relation to work and skills (see below). The workstreams have been delivered in conjunction with existing initiatives like Working Well and Kickstart to combat the impact of Covid-19 delivering activity and outcomes for many of residents most in need. Digital Inclusion work has been one area of high success with over 2,000 Manchester residents supported with kit, connectivity or skills since the start of the pandemic:

- Furlough, newly unemployed
- Offer 16-19 year olds
- Youth unemployment
- Skills and employment support for adults
- Social value and local benefit
- Business support, sustainability and growth
- Equalities

6. Conclusion

- 6.1. The Working Well programmes continue to provide an effective large scale provision to tackle work and health barriers for our residents. The JETS programme in particular has been an excellent rapid response to the Covid-19 driven recession. JETS has supported 2,892 Manchester residents and is a testament to the ability to respond with large scale programmes by Greater Manchester. The pandemic has had a clear impact on moving some residents further away from the job market including long term unemployed and exacerbating inequalities for example in employment for black residents. Manchester City Council and partners will continue to work in collaboration with the Working Well programmes to direct and intensify services onto those who require them most.
- 6.2. The Working Well programmes have driven change in how employment and skills provision is designed and commissioned with a focus on person centred services tackling barriers such as health condition management. The impact of recession and Covid-19 on health inequalities will exacerbate the challenge faced by Manchester in tackling long term unemployment and economic inactivity as a result of poor health. The need for large scale innovative and well designed provision that is inclusive and is accessed by our communities is paramount. The Council will continue to drive and influence policy and commissioning with GMCA at all spatial levels.
- 6.3. The Council and partners will continue to promote Working Well clients to employers who are recruiting. This includes promotion of those with health conditions, disabilities or caring responsibilities into sectors that traditionally may not have considered recruiting from these groups. The impact of the pandemic has changed the economy with labour and skill shortages in many industries such as logistics and hospitality requiring an adjustment of pay, conditions and recruitment approaches which we aim to align to the Working Well cohort.

7. Recommendations

- 7.1. Members are invited to comment on or seek clarification regarding the issues raised in the report.