



# Northumberland

## County Council

### HEALTH AND WELLBEING BOARD

13<sup>TH</sup> APRIL 2023

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Towards a collaborative approach to reducing inequalities in employment outcomes for our population

**Report of:** Cllr Wendy Pattison - Adult Health and Wellbeing

**Lead Officers:** Joint Report of Gill O'Neill Interim Executive Director of Public Health, Inequalities and Stronger Communities and Sarah McMillan Interim Director of Regeneration

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#### **1. Purpose of report**

This report introduces the topic of 'Health and Work' and provides background information to prepare for a discussion at the Board. The discussion will focus on how organisations represented by the Board can work together to achieve better employment outcomes for those experiencing barriers to work.

The discussion will focus on organisation's roles:

- As major employers,
- As Anchor Institutions.
- As commissioners and deliverers of NHS and employability services.

A presentation will also be provided to the Board to provide further background to this topic.

Members of the Board are asked to come prepared to be able to reflect their organisations response to the 5 Key Questions:

1. What **more** could we do collectively to use our **commissioning, purchasing power and supply chains** to reduce inequalities in employment?
2. What opportunities are there for Northumberland **Anchor Institutions** to work in **collaboration to maximise** impact on reducing inequalities in employment?
3. What **more** could we do as employers do make jobs **more accessible and sustainable** to people who are economically inactive?
4. What would a **well-integrated employment and health system** look like?
5. What should be the key priorities for a **North of Tyne employment and health strategy**?

## **2. Recommendations**

The Health and Wellbeing Board are recommended to:

- a. Receive the content of this report and note the recommendations of Northumberland's Inclusive Economy Joint Strategic Needs Assessment (JSNA) at Appendix 1.
- b. Attend the Board prepared to reflect their organisations responses to the 5 Key Questions outlined in section 1.
- c. Agree collectively where the Board can go further and faster in reducing inequality in employment outcomes for our population.

## **3. Link to Corporate Plan**

This report is relevant to the following priorities in Northumberland County Councils Corporate Plan:

- Thriving - by securing good quality jobs.
- Living, Learning – by supporting the most vulnerable to achieve a good quality of life.
- Enjoying, connecting – by delivering high quality employment and health services.

And the overarching themes of:

- Ensuring the Council does all it can to support an inclusive economic recovery.
- Tackling inequalities.

This report is also relevant to:

- Joint Health and Wellbeing Strategy – Tackling the wider determinants of health Theme priority 3 – Increase the number of people with long term health conditions moving into and sustaining work.
- Northumberland Inequalities Plan – Big Outcome – Employment
  - Reducing gap in access to good quality jobs
  - Reducing the employment gap.
- Joint Strategic Needs Assessment Chapter – Inclusive Economy: Work and Health (Appendix 1)

## **4. Key issues**

- Growth in economic inactivity is impacting economic performance by reducing the pool of labour and leading to unfilled vacancies.
- Ill health as the cause of economic inactivity has risen since the Covid pandemic and is currently the largest category for economically inactivity.
- The prospects for people claiming health related benefits to move into or return to work drastically reduces after 12 months of unemployment.
- Delivering better integrated approaches to health and employment support is needed to respond to the increase in health-related economic inactivity.

- Having good quality work accessible to all is central to Northumberland and North of Tyne Inclusive Economy ambitions and is essential for economic growth and for addressing health inequalities.
- Devolution and formation of a North East Mayoral Combined Authority (NEMCA) from 2024 will present opportunities for increased influence over skills and employment support and a commitment to continue the development of a work and health strategy with the ICB and to work together on social care recruitment, retention and workforce and on healthy ageing and population health.

## **5. Background**

There are groups in our population experiencing barriers to work such as the over 50's, the long term unemployed, BAME groups, people with caring responsibilities, disabilities, and health conditions, living in rural and deprived areas and many more. However, due to the role of the Board and its members, attention will focus on those experiencing barriers to getting and sustaining work due to long term health conditions.

Post Covid recovery period has been characterised by relatively weak employment growth, hard-to-fill vacancies, and a shrinking labour pool. Unemployment is low but so is employment and many vacancies remain unfilled (particularly in Health and Social Care). The active pool of labour (both employed and unemployed people) has contracted. There is a noticeable trend showing growth in Economic Inactivity (people not in employment but not looking for work) and the proportion of people who are economically inactive due to ill health.

Three million people are either unemployed or economically inactive people but would like to work. Whilst the UK has a relatively high employment rate, other countries do better. For example, an 80% employment rate could boost our economy by £23 billion per year, save the taxpayer £8 billion per year, and increase the incomes of households by an average £830 per year. (Learning and Work Institute Feb 2022)

### ***National Context***

The national context shows a clear trend toward rising economic inactivity due to ill health.

- The proportion of working age population who are long term sick has increased by one-third since 2010, currently 1 in six of the workforce,
- The number of working-age people unable to work due to chronic pain has risen by almost 200,000 in two years and there is a rising incidence of mental health issues.
- Those reporting multiple serious health conditions declined before Covid-19 but increased by 735,000 in the last two years.
- Economic Inactivity fell between 2015-20 but has risen to 9 million. The UK is the only OECD (Organisation for Economic Cooperation and Development) member (other than Switzerland) where inactivity is still increasing
- 1.4 million more older people will retire in the next 13 years than young people entering the workforce.
- Over 1.7 million people outside the workforce want to work (e.g., people with disabilities or caring responsibilities) but need flexibility and support from employers

to sustain work. 1 in 5 who have left the labour market since the pandemic say they would like to return to work.

- Economically inactivity covers a diversity of people that, beyond students, can be broadly grouped into those:
  - *unable to work* due to health and caring commitments,
  - those who *do not need to work* and have retired early,
  - and those who *need help to work* with health, childcare, skills, or employment support

### **Northumberland Context**

In Northumberland, 6,395 residents are out-of-work and on the unemployed claimant count (Jan 2023). The figure had fallen dramatically post-pandemic but has started to show an increase in recent months.

The unemployment rate is relatively low at 4.4% of the working-age population... However;

- 46,300 residents are economically inactive, of which 11,800 are long-term sick, and 9,800 who say they want to work
- Economic inactivity due to ill or poor health has not shown the increase that national data shows but has remained persistently high.

Data shows an uplift in those economically inactive but wanting to work during the height of the pandemic, reflected in those citing long-term sickness as a reason for being economically inactive. Overall, the trend for those not wanting a job has increased slightly; for those wanting a job the trend is relatively flat.

### **Northumberland Inclusive Economy Joint Strategic Needs Assessment**

The Inclusive Economy JSNA for Northumberland highlights the key challenges we face to improve the health and wellbeing of people who work and live in Northumberland and help reduce inequalities. It provides an assessment of the inter – relationship between work and health in the context of the post – Covid economy and cost-of-living pressures facing residents and businesses.

The JSNA identified key priorities as:

- i. Increase the employment rate and reduce the unemployment and economically inactive rate, closing gaps between Northumberland and other areas, and within Northumberland.
- ii. Improve the number of good jobs available to residents (paying the living wage and offering flexible conditions and progression opportunities). This is critically important to address rises in the cost-of-living and a potential economic recession.
- iii. Support more people who are economically inactive into the labour market
- iv. Reach people underrepresented in the labour market (over 50's, people with disabilities and long-term health conditions, residents of disadvantaged neighbourhoods) to make labour market participation more inclusive.
- v. Ensure good quality advice and guidance is available to all residents.
- vi. Better understand data about the impact of health inequalities on the economy, and employment as a key determinant of health.

### **Next Steps**

Public Health and Economy and Regeneration are working with NTCA (North of Tyne Combined Authority), the ICB (Integrated Care Board) and other partners to determine the strategic approach to address the issues raised in this report.

Responses to the five Key Questions from the Health and Wellbeing board will inform the development of a North of Tyne Work and Health Strategy and local action to reduce inequalities in employment outcomes.

NCC will continue to work with NTCA and constituent LAs to develop an approach to work and health that can use opportunities offered through the transition to NEMCA. The devolution deal, currently under consultation, can present opportunities including:

- Increased influence over skills and employment support through devolved powers and funding.
- a commitment to work in partnership and with DWP and DHSC on social care recruitment, retention, and workforce and on healthy ageing and population health.

### **Implications**

<b>Policy</b>	Supporting those furthest from the workplace to achieve positive employment outcomes supports key policy priorities and themes within the Northumberland Inequalities Plan, Joint Health and Wellbeing Strategy and the County Council Corporate Plan and members priorities to reduce inequalities and achieve Economic Growth.
<b>Finance and value for money</b>	There are no direct financial implications.
<b>Legal</b>	The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are not functions reserved to Full Council
<b>Procurement</b>	Part of the enabling and supportive actions to develop the right conditions to address inequalities and close the gap is to consider commissioning and procuring differently to generate increase social value.
<b>Human Resources</b>	No specific implications
<b>Property</b>	No specific implications
<b>Equalities</b> (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> <input type="checkbox"/>	

<b>Risk Assessment</b>	
<b>Crime &amp; Disorder</b>	No specific implications
<b>Customer Consideration</b>	No specific implications
<b>Carbon reduction</b>	No specific implications at this time.
<b>Health and Wellbeing</b>	This report invites consideration of how better to collectively address the needs of those experiencing health barriers to work. Having a good quality job is one of the most effective ways to reduce health inequalities.
<b>Wards</b>	N/A

**Background papers:**

**Report sign off.**

***Authors must ensure that officers and members have agreed the content of the report:***

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Monitoring Officer/Legal	Suki Binjal
Executive Director of Finance & S151 Officer	Jan Willis
Relevant Executive Director	Gill O'Neill
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**Appendix 1**