



Northumberland
County Council

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

Northumberland Health and Wellbeing Board

13th April 2023

www.northumberland.gov.uk

Introduction and Labour Market Context

- The 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 H&SC and Hospitality sectors)
- The active pool of labour (both employed and unemployed has shrunk)
- The noticeable trend is a growth in Economic Inactivity (people not in employment but not looking for work) ...
- And an increase in Economic Inactivity due to ill health
- So health inequalities and ill health is an increasingly important barrier to work and brake on economic growth.

National Context

- The unemployment rate has fallen steadily post-pandemic
- However, economic inactivity has risen to highest-ever levels and the pool of labour has reduced, impacting recruitment and economic recovery and leading to low growth
- The proportion of the working age population who are long term sick has increased by one-third since 2010 and those unable to work due to chronic pain has increased climbed by almost 200k in the past two years.
- The number of working-age people in Britain reporting multiple serious health conditions had been declining before Covid-19, but has increased by 735k in the last two years.
- Economic Inactivity fell between 2015-20 but has risen to 9M. UK is the only OECD member (other than Switzerland) where inactivity is still increasing after Covid-19
- Among those out-of-work, the high incidence of mental and behavioural conditions is growing. In England, 17% of adults (7.3m) were prescribed antidepressants, with the highest rates in the NE (Health Foundation).

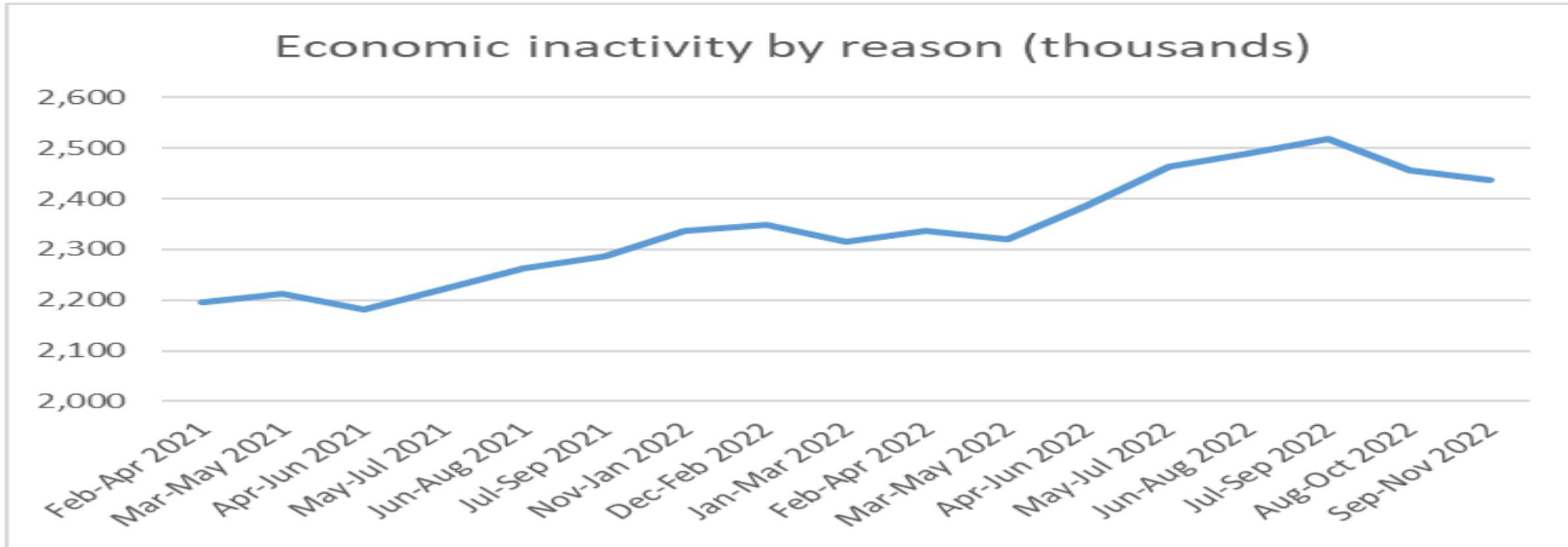
'Missing Workers' Evidence

- Data show the pool of labour needed in the economy has shrunk dramatically – leading to hard-to-fill vacancies impacting economic recovery, and fewer people are looking for work
- The workforce is ageing; 1.4 M 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 – so are motivated but need flexibility and support of 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 inactive is a diverse group, beyond students they fall into 3 groups
 - unable to work due to health and caring responsibilities,
 - don't need to work people in better paid roles who are more likely to have retired early
 - ***Need help to work – need help with health, childcare, skills or employment support***

Learning and Work Institute (2023)

National Context

Latest data show 2.5 million people not in work due to long-term illness in the UK.

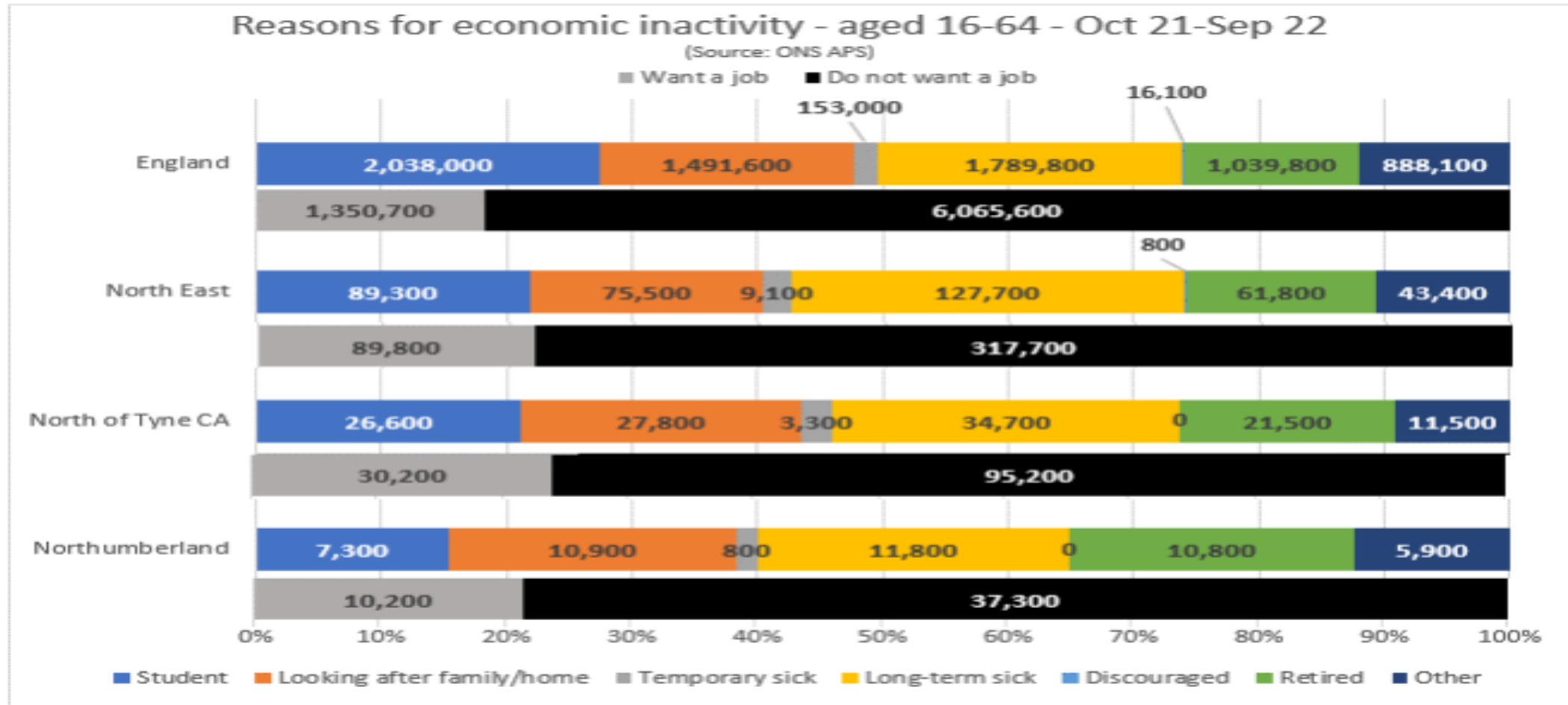


Northumberland Context

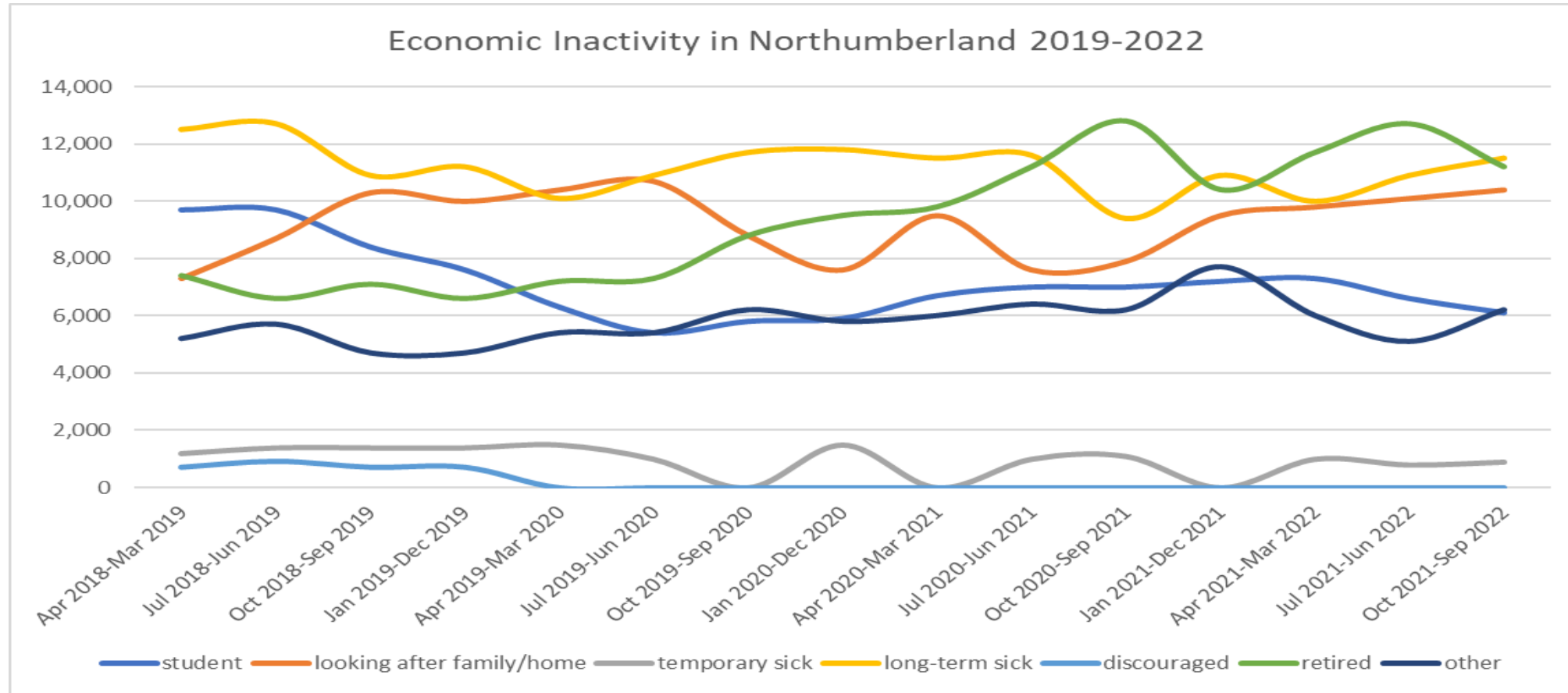
- In Northumberland, 6,415 residents are out-of-work and on the unemployed claimant count (Feb '23). The figure fell dramatically post-pandemic but has shown a steady month-on-month increase from Oct '22.
- The unemployment rate is relatively low at 4.4% of the working-age population... However;
- 46,300 residents are economically inactive, of which 11,800 are long-term sick, and 9,800 who say they want to work (Oct'21 – Sep'22).
- Economic inactivity due to ill or poor health has not shown the increase that national data show, but has remained persistently high...
- Mental health, MSK and (more latterly) diabetes are the main health causes of inactivity
- Data shows an uplift in those economically inactive but wanting to work during the height of the pandemic,. Overall, however, the trend for those not wanting a job has increased slightly, for those wanting a job the trend is relatively flat.
- *The graphs below show trends in economic inactivity in Northumberland, with long-term sickness persistently high in recent years..*

ONS

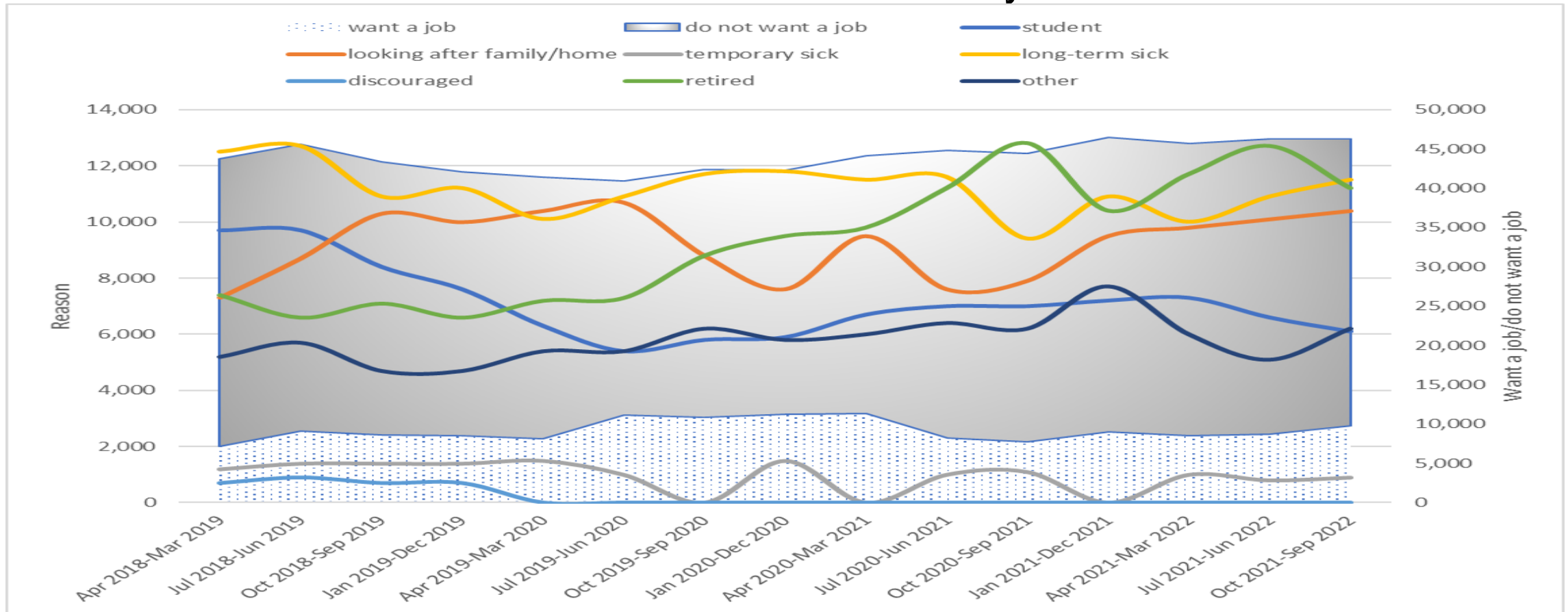
Northumberland and NE Reasons for Economic Inactivity



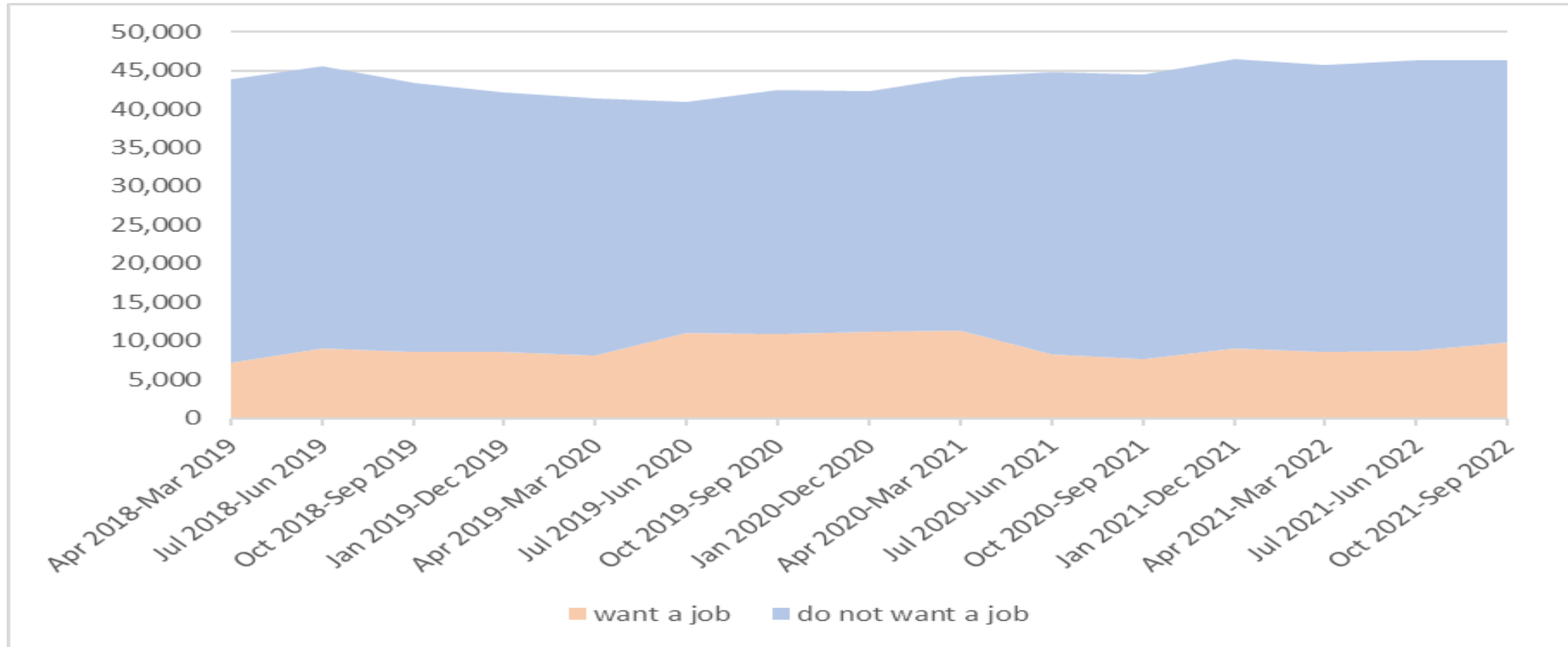
Northumberland Economic Inactivity Trend



Northumberland Reasons for Economic Inactivity Trend



Northumberland Economic Inactivity: Want / Does Not Want a Job

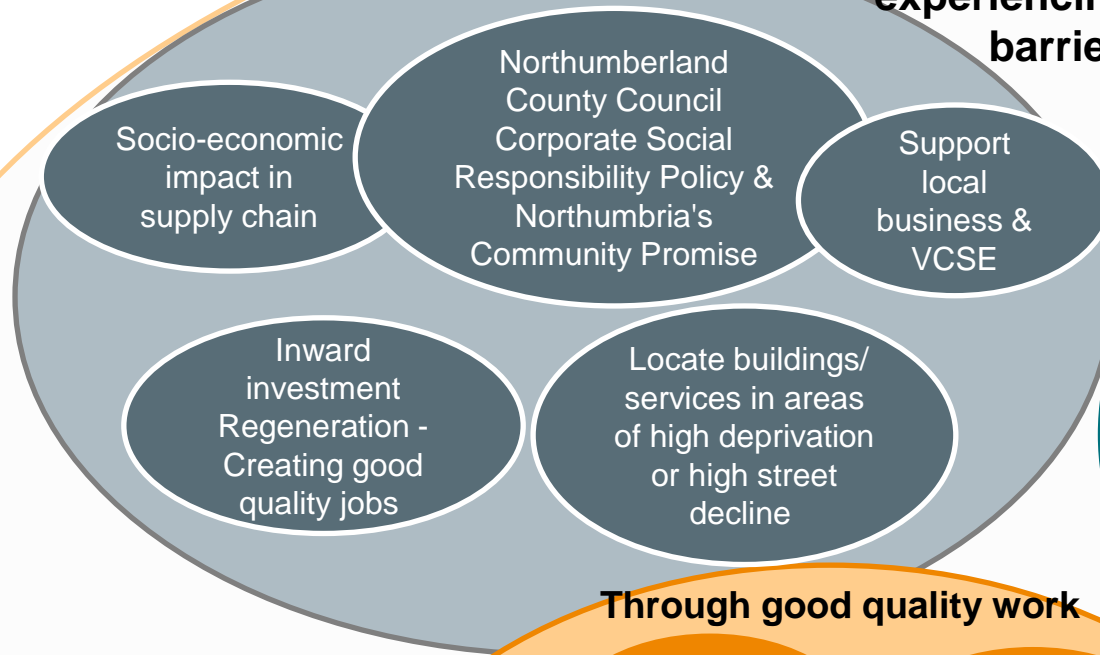


Potential Assets in Northumberland

A system to improve the economic opportunities of working age adults experiencing health barriers

Anything missing?

As Anchor Institutions



Supporting those who need help to work



Through good quality work



Where could we go further?

Local Policy Context

- [North of Tyne Employability Plan](#) – Priority 3 To support people with long-term health conditions through the development of integrated employment programmes.
- [North of Tyne Good Work Pledge](#) and [Regional Better Health at Work Award](#)
- [North of Tyne Combined Authority Wellbeing Framework](#) - which aims to measure a broader set of wellbeing indicators as indicators of a prospering area
- North of Tyne Health and Work Strategy in development supported by DoH & DWP Joint Health and Work Unit led by NENC ICB, involving NTCA and 3 LAs
- [Northumberland Joint Health and Wellbeing Strategy](#) which has the shared ambition to Increase the number of people with long term health conditions moving into and sustaining work
- [Northumberland Joint Strategic Needs Assessment relationship between employment and health](#) - developed in 2022 by this group.
- [Northumberland Inequalities Plan 2022-2032](#) (short- & long-term strategies), look at everything through an inequalities lens with specific ambitions relating to work to reduce the employment gap.

Summary

- Employment is a key wider determinant of health
- Health inequalities have an economic impact
- Ill health is a barrier to work, and economic inactivity or long-term unemployment can have negative health impacts
- Economic inactivity as a result of ill health is very high, and impacting economic growth and recruitment
- Mental health, MSK (and more recently diabetes) are main health conditions that act as barriers to work
- The labour market is experiencing participation and recruitment crises
- Addressing ill health as a cause of economic inactivity is therefore critical to improve the labour market in Northumberland
- NCC is working with NTCA and ICB to develop a work and health strategy
- Employers have a role to play in making work more accessible and supporting people with health conditions to find and sustain work. Delivering Good Work is critical
- Anchor institutions have a key role to play in their recruitment, retention and support practices, and using their commissioning and social value powers
- Better integration of employment support and health services is also critical to ensure people have the support they need and meet employer demand

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**?

Contact for further questions or comments

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