

Business and Property Committee

Item No.

Report title:	Integrated Health and Employment Service
Date of meeting:	Wednesday 18 October 2017
Responsible Chief Officer:	Tom McCabe – Executive Director, Community and Environmental Services
Strategic impact: Council services are experiencing unprecedented demand from residents with a variety of health related conditions which prevent them from living independently. This Integrated Health and Employment Service proposal seeks to reduce this dependence on a range of services, helping people to live better, more independent lives within the context of employment.	

Executive summary

Although levels of employment in Norfolk are relatively stable and resilient, opportunities for more vulnerable residents who may need additional support to move into work are extremely limited. Critically, national provision to move people into work is not able to address health related barriers to the work place making it unsuitable for this group. While there is growing momentum across the country to tackle issues such as mental health and to integrate health and employment there has been little, if any, new provision in Norfolk.

Our project will support those who are long term claimants of working age benefits with health related barriers to work through an Integrated Health and Employment Service for Norfolk. It is necessary because mainstream employability provision does not take health outcomes into account despite the fact that often the barrier to work is as much related to health barriers as it is skills barriers. To deliver sustainable outcomes, individuals and employers need to be enabled to manage health conditions within the right workplace.

Economic Development has some reserves generated from previous employability projects which can be diverted to this project as the funding was secured in order to move people closer to work and into work. However, this funding will only support a small scale project, so to fund the delivery of this work on a cross county scale we will be submitting a bid to European Social Fund (ESF). This bid would be matched against activity and commitment from partners across Norfolk. If the maximum amount of funding is secured the proposal could support a maximum of 3,500 individuals in Norfolk claiming working age benefits who require more intensive support to move into work and live independently.

We will be submitting the Stage 1 bid to ESF by 27 October 2017. A decision on whether we are invited to make a Stage 2 application should be reached by January 2018.

Recommendations:

Members are asked to consider the proposal and

- 1) Support the development of the Integrated Health and Employment service**
- 2) Approve the submission of the stage 1 ESF bid**

1. Proposal

Long term claimants of working age benefits don't just have skills related barriers to work but also have to manage complex health and social care needs which can make employment challenging to secure and sustain. By using this opportunity to bid for ESF we can provide dedicated, individualised support across the county for up to 3,500 individuals.

1.1. Integrated Health and Employment Service

1.1.1 Rationale

Our project will support those who are long term claimants of working age benefits with health related barriers to work through an Integrated Health and Employment Service for Norfolk. It is necessary because mainstream employability provision does not take health outcomes into account despite the fact that often the barrier to work is as much related to health barriers as it is skills barriers. To deliver sustainable outcomes individuals and employers need to be enabled to manage health conditions within the right workplace.

In Norfolk alone 55,000 (10%) of the working age population are currently in receipt of a working-age benefit and many are long term claimants. 32,000 of this number have health related barriers to work. This comes at a time when employment levels are at a record high and many employers are having difficulties filling their vacancies. This is a huge cost to public services across Norfolk as well as a significant drain on GVA. Given the number of claimants who have been in receipt of Employment Support Allowance (ESA) for more than 5 years it is clear that current programmes and interventions are not working for this group.

The programme we have designed will consider employment and skills development as the overarching goal for each participant but will provide specialist health and employment support to enable them to move into, or, closer to, work. This will offer a new way of working in Norfolk and provide a service for those who are typically overlooked by the majority of services. Whilst Economic Development has strong experience in the field of employability and skills development we are working closely with colleagues in Public Health and the Integrated Commissioning Teams as well as external stakeholders on the health related elements of the proposals. To ensure Norfolk County Council benefits as much as possible from a successful project it will need to be accessed by our social workers, public health colleagues and those supporting Mental Health Initiatives. Employment and independent living is the long term goal.

1.1.2 The Model

The project will be managed by NCC in collaboration with a strategic partnership comprising district authorities, housing associations, and Voluntary and Community Sector (VCS) representatives. The role of this partnership will be to oversee the delivery and performance management of the project.

Direct delivery of the project will take place via voluntary sector organisations who are already experienced in supporting this client group and well embedded locally. These delivery organisations will employ Personal Advisers to work intensively with the beneficiaries to create bespoke pathways towards employment including skills development. Where interventions lead to employment, Personal Advisers will remain engaged and ensure that beneficiaries are supported to remain in work and gain the necessary skills until such stage as they are able to securely operate independently.

Personal Advisers are currently employed by voluntary sector organisations as part of this project NCC will not be the employer, the project would look to target their activity to deliver improved outcomes and where possible increase the number of personal advisors.

2. Evidence

- 2.1. There is a considerable body of research demonstrating that appropriate work can bring health and wellbeing benefits. However, it is clear that our health and welfare systems are struggling to provide meaningful support to help people get back to work as well as stay connected to work. The importance of employment for health is neither fully reflected in commissioning decisions and clinical practice within health services, nor within the disjointed welfare system in which those in receipt of ESA are given little support to help them into work (only around 3 in 100 of all Employment and Support Allowance claimants leave the benefit each month). The IHES will provide individuals with bespoke support to help them move closer to or into employment.

3. Financial Implications

- 3.1. Officers are currently seeking funding from a range of external sources including the Pooled Business Rates Fund and European Social Funding.

To date we have identified £775,000 to deliver this work:

Norfolk County Council: £350,000

Victory Housing Association: £75,000

Pooled Business Rates: £350,000 (outcome not yet known)

The £350,000 referenced above comes from historic employability projects Economic Development has secured from bids to external funding including from the Department of Work and Pensions. There is no ask from NCC budgets in this proposal nor are we diverting funding from other services.

We are in ongoing discussions with New Anglia LEP, the NHS and Norfolk's Clinical Commissioning Groups to secure additional funding as this project also aligns well with their work. Once these discussions have concluded we can determine the scale of the project and the proportion of the 3,500 individuals we will be able to support.

We plan to submit a bid to ESF to fund this project over 3 years. ESF will provide 50% of the project costs and the partners in the projects will provide the remaining 50%. Given the scale of need in Norfolk we are keen to offer a countywide project. As such, the match we are seeking from the partners listed above is significant, up to £2.8m, and linked to a range of opportunities. If this is not secured, the match we have currently available (as set out above) will only allow for a smaller project on a more limited geography.

A successful bid to ESF will provide an average funding of £2,074 per participant. This demonstrates good value for money as most recent calculations on social return on investment shows a saving of £9,091 to the public sector from moving an ESA claimant into work. This does not take into account additional savings which may accrue to Adult Social Care, Public Health or the NHS as these will need to be calculated on a case by case basis.

In terms of NCC services this project could offer support with a number of key priorities. Some examples include:

- Increasing the number of people with diagnosed mental health needs who are supported to move into work – currently Norfolk performs poorly in this measure compared to other areas. The impact of this is a reduction in demand for NCC funded services.
- A supported pathway to work for Children's Services clients leaving care and some of those with Special Educational Needs – this will promote continued independent living and reduce the likelihood of transitioning into Adult Social Care funded support in the future.
- Reduction in the demand for prevention and support services funded by Public Health including mental health and drug and alcohol support.
- Reduction in demand for Children's Services Troubled Families programme alongside additional provision to support their outcomes.

To maximise the benefit for NCC it will be critical for our existing services to refer clients to this programme and take advantage of the additional provision.

A key part of the project will be an ongoing evaluation undertaken by the University of East Anglia. A central work strand of this evaluation will be to work with NCC and our partners on this project to identify the impact of the work on individuals the County Council works with and importantly the savings in real terms which have been generated by the project. If this new approach is proven to be effective in creating positive outcomes for individuals as well as making savings through more efficient and aligned services then there is a strong case to be made for sustaining the project.

4. Issues, risks and innovation

4.1. Without the interventions detailed above there is a risk that:

- The numbers of people claiming working age benefit will continue to grow putting increasing strain on all elements of the public sector
- Those people who wish to work but need support to do so will remain within the benefit system as the current level of support is insufficient to help them to successful move into or closer to employment

5. Background

5.1. It is clear from government statistics published quarterly by the Office for National Statistics that the numbers of people claiming ESA has remained stubbornly high in recent times despite reductions in the numbers claiming Job Seeker's Allowance and that without significant interventions these numbers will only continue to grow. Claimant numbers in Norfolk typically sit at 6% of the working age population while the average for the East of England is 4%. Current support mechanisms for example the Norfolk and Suffolk Foundation Trust are insufficiently resourced and ineffective to take on substantially more clients and in order to break the cycle a different approach is needed.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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