

### DRAFT

Pending approval by relevant Health and Wellbeing Boards

A Review of Employment Support for People with Mental Illness, Physical Disabilities and Learning Disabilities

**EXECUTIVE SUMMARY** 

Tri-Borough Joint Strategic Needs Assessment (JSNA)

August 2013

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## Purpose of this document

This document reports the needs assessment and service mapping of local and national specialist employment support for Tri-borough residents with mental illness, physical and learning disabilities. The report also reviews the evidence of best practice and outlines the vision for a new evidence-based service.

# Burden of illness and economic inactivity

Across the Tri-borough area, there are high levels of economic inactivity, particularly in relation to mental illness and physical disabilities.

Nationally, mental health conditions are the most common reason for people to be dependent on health-related benefits (3). Tri-borough rates of severe mental illness (SMI) are among the highest in London and England. Local levels of Incapacity Benefit (IB) and Employment Support Allowance (ESA) claims due to mental ill-health are also high compared to London, particularly in Hammersmith and Fulham (8<sup>th</sup> highest in London). Paid employment rates for clients with severe mental illness in Kensington and Chelsea (K&C) and Westminster are below the London and England averages. This is despite the fact that nationally up to 90% of all mental health service users want to work (1) and at least a third of those currently unemployed due to SMI would like to find work (4).

Rates of physical disabilities are also high in parts of the Tri-borough area compared to London, with large numbers of IB and ESA claims for physical ill-health in these areas. Hammersmith and Fulham (H&F) has particularly high levels (12<sup>th</sup> highest in London).

The numbers of people with learning disabilities are low in the Tri-borough area and employment rates are on a par with London levels. However, clients with learning disabilities have worse employment prospects than other disability groups. The current employment rate for disabled people nationally has risen to 48% overall but remains only 10% for those with learning disabilities (6). We know that 65% of people with learning disabilities nationally would like a paid job (6).

Sickness absence and presenteeism (reduced productivity at work related to ill health) are also likely to have major impacts in the Tri-borough area, based on what we know nationally (7). Based on population size, sickness absence is estimated to cost the Tri-borough economy £84 million per annum in employer costs, health and social care costs and welfare (8). Mental illness is the number one cause of long-term sickness absence, closely followed by musculoskeletal problems (9).

66

Not all people with severe mental health conditions want to be employed, but almost all want to 'work', that is to be engaged in some kind of valued activity that meets the expectations of others.

DWP and Department of Health joint commissioning guidance 2006 (2)



# Costs of economic inactivity

The impacts of economic inactivity are felt by individuals, communities, employers, local authorities and the NHS.

Unemployed individuals have a higher risk of poor physical and mental health compared with those in employment. The health and social impacts of a long period of unemployment can last for years (10).

Health inequalities are closely linked to worklessness and its links to physical and mental health and wellbeing (10, 11). Both unemployment and mental illness impact on other wider determinants of health such as income and secure housing, and also affect the wellbeing of families and communities

Unemployed people have higher levels of GP consultations and longer in-patient stays (3). Extrapolating from national figures, the cost of mental illness locally is approximately £300 million in H&F, £250 million in K&C and £350 million in Westminster. Over a third of this is due to loss of economic output (over £80million per borough) and a fifth due to health and social care costs (over £5million per borough) (3). These figures are probably underestimates due to high local prevalence of severe mental illness and a larger working age population than the national average.

## Evidence-based employment interventions

Evidence-based employment interventions can deliver jobs, improve health and wellbeing and generate substantial cost savings to local commissioners.

There is substantial evidence that specialist employment support, tailored to the needs of clients with mental illness or disabilities, can deliver jobs. The most cost effective models of support include *Individual Placement and Support* (IPS) for mental health clients and *Supported Employment* (SE) in the disabilities field.

There is also evidence to support a role for 'Very Supported' employment opportunities (such as social enterprises) for clients with very complex needs.

In addition, Government policy advocates early intervention *in-work support* to help individuals to retain employment, to prevent the 'revolving door' of sickness absence and to avoid the negative health impacts of unemployment (3, 9).

Evidence shows that these approaches to employment support can deliver:

- Improved individual health and wellbeing
- Increased personal income
- Reduced use of health and social care services

Action on unemployment for these client groups is aligned with national policy on Welfare to Work and helps deliver expectations in the NHS and Adult Social Care Outcomes Frameworks (12, 13). Issues related to employment are part of Health and Wellbeing Board priorities in all three boroughs.

#### **Costs Savings**

Evidence-based employment support is, at least, cost neutral. At best it can generate significant cost savings to local commissioners.

#### Summary of evidence for cost saving

- A number of IPS trials found up to 50% reductions in health and social care costs (1).
- IPS reduces the need for and length of hospital stays (1, 3). A multi-site European randomized trial found that IPS delivered saving of around £6,000 per client in inpatient psychiatric care costs, compared to usual care (1).
- Social Return on Investment analysis has shown returns of between £5 and £13 for each £1 invested Supported Employment for clients with disabilities (5).

#### **Mapping services**

The JSNA team has undertaken an extensive mapping of existing local employment support for people with mental illness and disabilities.

Local specialist employment support was mapped using data from: contract monitoring, email and telephone interviews with national and local providers, Co-production meetings with local service users and providers and other service user feedback.

There are four national schemes available, 14 locally commissioned providers funded specifically for tailored employment support to the client groups, and over 30 other voluntary sector providers working with these clients.

Pathways within the service are complex. There is no single point of referral and silo working between providers means that there are major issues around communication. It is likely that overlaps in provision may also occur.

**Current good practice** – The mapping identified some areas of excellent practice, particularly where evidence-based approaches were being pursued. Feedback from Coproduction meetings was positive about the increasing numbers of professionals with understanding of mental health issues.



Interviewing people at the day service, or other friendly and accessible facility works well

Service user at Coproduction meeting



Spend – The majority of spending is on mental health, which reflects the greater numbers of mental health clients in the Tri-borough, compared to the number of people with disabilities. However, spend by borough is not always allocated according to need. Westminster currently spends much less than other boroughs on support for clients with mental illness, despite having a significantly higher burden of these conditions; Kensington and Chelsea spends the most.

Gaps in provision of services for specific client groups were identified and are already being addressed. For example, Hammersmith and Fulham is currently working to fill its gap in provision of specialist support for clients with physical disabilities.

**Stages of support** – There are gaps in provision of some stages of employment support. In particular, there is significant need for in-work support both for clients getting jobs through specialist local support *and* for employed people struggling in work with common mental illnesses and musculoskeletal problems.

Outcomes – It is clear that some providers are achieving a far smaller number of outcomes for the money received compared to others. This will need to be investigated further to understand underlying reasons, as there may be legitimate reasons for this.

Limitations of the mapping and subsequent data analysis come from gaps in the data and inconsistent terminology. Providers use different definitions of interventions (e.g. what constitutes in-work support) and outcomes (e.g. what constitutes a job outcome). Many providers do not routinely collect details of jobs obtained or impacts on health and wellbeing. Comparisons of provider performance are further complicated by their clients having different levels of need.

#### **National provision**

There have been developments in national provision, with increased focus on supporting clients challenged in the open job market. However, national evidence has identified major issues for all four national programmes around their ability fully to meet the needs of clients with mental illness and disabilities.

JobCentre Plus (JCP) is the first point of contact for any client claiming benefits and offers generic employment support with some specialist provision for clients with health problems. However, a national review identified that JCP staff may have 'poor awareness of mental health issues' (4). Co-production feedback identified that service users felt that JCP advisers were not always trained to support people with disabilities, particularly in communicating with clients with learning disabilities.

The Work Programme is the Government's flagship Welfare to Work programme and is being delivered in West London by three Prime contractors. Started in 2011, it aims to support clients with additional barriers to work, including claimants of Employment Support Allowance (health-related) and Job Seekers Allowance (not health-related). There are concerns that current early performance is not yet up to the levels expected. The Public Accounts Committee described one-year performance as 'disappointing'. Overall outcomes were worse than previous programmes and considerably lower than DWP expectations (14). Clients with a disability were half as likely to have a job outcome as people without a disability. London performed worse for disabilities clients than the rest of the UK (15). However, there is considerable national and local commitment to improve on this early performance.

6

Work Programme Primes don't offer enough support for people with complex needs.

Co-production group feedback

The two schemes designed specifically for clients with registered disabilities (*Work Choice* and *Access to Work* grants) are not available to clients already on the Work Programme. Furthermore, *Work Choice* requires clients to be able to work for 16 hours per week (16) which excludes many people with disabilities. A major national review

found that *Access to Work* is underused, particularly by clients with mental illness and learning disabilities (17).

#### **Economic climate**

Under the current economic climate and with reforms to welfare, investment in employment support is an even greater priority.

During an economic downturn, the job market is challenging, particularly to clients with disabilities and mental illness (where the prevalence increases during periods of recession (10)). With reforms to benefits, there is likely to be in influx of clients into the job market who have previously been considered 'too ill to work'. Employment support providers are likely to face additional challenges in successfully supporting clients into jobs at this time. However, if provision of employment support were reduced, the resultant impacts on individuals will ultimately be passed onto NHS and local authorities with increased use of services (3).

#### A future service

Local employment support provision is to be recommissioned by Adult Social Care and NHS Mental Health commissioners.

The JSNA has identified some key aims for a new service, based on local and national findings. Commissioners may want to consider the following:

1. To maximise the effectiveness of existing national provision

There is scope for better partnership work (including delivery of mental health and disabilities awareness training) and improved referral pathways between local and national providers.

- To commission evidence-based specialist employment support for clients not eligible for national schemes and for those whose needs are not currently being fully met by national provision
- 3. To integrate in-work support as a key element of the specialist employment support service
- 4. To commission an early intervention in-work support service across the Tri-borough councils

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