

4.2 Keeping people in work and maximising in-work incomes

4.2.1 Background

In the 2008 report “Working for a Healthier Tomorrow”¹ for the Department for Work and Pensions, Dame Carol Black established that the “annual economic costs of sickness absence and worklessness associated with working age ill-health are estimated to be over £100 billion.”

A follow up report in 2011, “Health at Work – an independent review of sickness absence” written jointly by Black and David Frost, led in setting out a new vision for health and work. One of the principal recommendations of this report was that there should be early intervention for those who develop a health condition. The report also found that there was considerable evidence that workplace health and well-being initiatives produced economic benefits across all sectors and all sizes of business. Keeping people wherever possible in work (attached to the labour market and in ‘good’ work) is critical to bearing down on the number of people claiming health-related benefits and raising local incomes.

4.2.2 Current provision supporting people in work

Access to Work

Access to Work (AtW) is a publicly funded employment support programme that aims to help more disabled people start or stay in work. It can provide practical and financial support for people who have a disability or long-term physical or mental health condition. Support can be provided where someone needs help or adaptations beyond reasonable adjustments. An AtW grant can pay for practical support to help an employee stay in work, or to support the self-employed. Small and Medium Enterprises (SMEs) and their employees often have little in the way of occupational health support and the former can be significantly affected by staff absences. It is to be hoped that the new Fit for Work service will be of use to local businesses and local efforts to support any national marketing should be explored.

Fit For Work

The Fit for Work Service was rolled out across the country from autumn 2015 and offers:

- Free, expert and impartial work-related health advice, via a website and telephone line, which aims to help employees stay in work during periods of ill health or return to work after a period of absence.
- Referrals to an occupational health professional for employees who have been off sick or who are likely to be off sick for four weeks or more. These professionals can provide structured Return to Work plans to support the

¹ Dame Carol Black. (2008). *Working for a healthier tomorrow*. Available: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209782/hwwb-working-for-a-healthier-tomorrow.pdf. Last accessed 4th July 2016

individual back to work or as evidence of sickness absence in the same way as those supplied by a GP.

General Practitioners, employers, and employees can contact the service for advice and support; the service should be particularly useful to small and medium-sized employers. GPs play a critical role in signing off sickness absence and hence are in a position to assist in making early interventions. More work should be undertaken to ascertain the role that GPs might usefully play to aid this agenda.

In trying to impact positively on the health of residents in work it should be borne in mind that more than two-thirds of Barking and Dagenham residents in work are employed outside of the borough. Daily commuting trips lasting over an hour have been shown to be linked to lower happiness and higher anxiety.²

Talking Therapies

The local NHS Advice and Brief Intervention Team and Talking Therapies formerly IAPT³ services offer a range of support to working people with common mental health problems (anxiety management, anger management, low confidence, cognitive behaviour therapy etc.) and play a supportive role in enabling employment to be sustained.

4.2.3 In-work incomes

While employment is, rightly, described as the main route out of poverty it may not in itself be sufficient to ensure adequate household incomes. Barking and Dagenham Council was the first in the country to commit to a Living Wage – now £9.40 per hour - for all directly employed and agency staff. The London Living Wage initiative⁴ is of direct relevance to health outcomes, being described as “a wage that achieves an adequate level of warmth and shelter, a healthy palatable diet, social integration, and avoidance of chronic distress for earners and their dependents”.⁵

Government data (ONS Annual Survey of Hours & Earnings 2015) shows that the median hourly pay of full-time workers excluding overtime is £13.31 in LBB, the second lowest of any London borough⁶. One-in-five full-time workers earn less than £9.40, effectively equivalent to the London Living Wage.

² Office for National Statistics. (2015). *Measuring National Wellbeing*. Available: <http://www.ons.gov.uk/ons/rel/wellbeing/measuring-national-well-being/index.html>. Last accessed 4th July 2016.

³ Talking Therapies *formerly* Improving Access to Psychological Therapies . (2016). Available: http://www.mytalkingtherapies.org.uk/?gclid=CKOa_4ys3M0CFSSq0wodaeMKSsw Last accessed 4th July 2016

⁴ Trust for London. (2016). *London Living Wage*. Available: <http://www.trustforlondon.org.uk/policy-change/strategic-work-item/london-living-wage/> . Last accessed 4th July 2016

⁵ Greater London Authority. (2011). *A Fairer London: The 2011 Living Wage in London*. Available: <http://dera.ioe.ac.uk/2976/1/living-wage-2011.pdf>. Last accessed 8th October 2014

⁶ONS (2016), Annual Survey of Hours and Earnings, 2015 Provisional Results https://www.nomisweb.co.uk/reports/lmp/la/1946157260/subreports/asher_compared/report.aspx?allInGB=&pivot=4&&sort=1&ascending=

Median hourly pay for part-time workers (excluding overtime) is only £8.54, with 60% earning less than the London Living Wage. These figures do not include people moving into employment or the impact of zero or restricted hour contracts. Low wages are clearly a significant issue for many residents in work.

Universal Credit is currently being rolled out across the borough and as part of which both support and sanctions will be applied to those in work if they are earning less than the equivalent of the minimum wage for 35 hours (single person). The support is expected to take the form of assistance to secure additional hours or move into better paid employment.

4.2.4 Public services as exemplary employers

The Barking and Dagenham Health and Wellbeing Strategy 2015-2018 sets out some of the key actions being taken by the Council and Clinical Commissioning Group to improve the health of employees in their respective local workforces. A large number of these will be residents of the borough.

Within the Council this includes:

- Being recognised as a ‘Two Tick’ employer positive about disabled people, committed to supporting staff in all aspects of employment, including overcoming work-related obstacles resulting from their disability.
- Having in place an Occupational Health Service that provides support to employees and managers, to prevent illness, and manage sickness or health-related absence.
- Giving staff access to a wide-ranging Employee Assistance Programme offering assistance with a variety of personal and work related issues for Counselling or simply for information or guidance.

Work is also underway to explore accreditation under the London Healthy Workplace Charter. This is a self-assessment framework that recognises and rewards employers for investing in workplace health and wellbeing. It provides a series of standards for workplaces to meet in order to guide them to creating a health-enhancing workplace. There is strong evidence to show that having a healthy workforce can reduce sickness absence, lower staff turnover, and boost productivity - this is good for employers, workers, and the wider economy. There are three levels an employer can participate at – commitment (showing that they are working towards all elements of the standard), achievement (working at and meeting all elements of the standard), and excellence (the organisation is going above and beyond the expectations of the standard and is focussed on the health and wellbeing of the workforce).

Significant public resources are channelled through the Council and health service locally, much via procurement of goods and services; therefore, procurement activities should, wherever possible, look to support this agenda through provision

for the London Living Wage and requiring that employment practices are supportive of the recruitment and retention of staff with health-related problems or disability.

4.2.5 The apprenticeship levy

From April 2017, the apprentice levy will require employers with a pay bill above £3m to pay a sum equivalent to 0.5% of this to support apprenticeship training. On current plans they will need to spend this within 18 months with some top-up from government.

Ongoing training and the updating of skills is essential in the wellbeing of the workforce. Being able to complete their role efficiently is crucial in preventing anxiety or depression in regards to work. Apprenticeships offer a perfect balance of training and employment to allow an individual to “learn while they earn”.

The expansion of apprenticeships can, if targeted effectively at local people, play a significant role in upskilling local people of all ages. Higher skilled workers are critical to rising productivity and wages across all sectors of the economy.

4.2.6 Recommendations for Commissioners

A range of employment and skills providers are now funded on the basis that the people they assist secure sustained employment. Health services can play a crucial role in this for many individuals, and health commissioners need to ensure that there is widespread understanding and knowledge of relevant provision. The requirement to establish these links should be built into the commissioning process.

There is a need to actively use local mechanisms to sell the business case for health and wellbeing policies to SMEs in Barking and Dagenham, as set out in the Health and Wellbeing Strategy. The Fit for Work service offers additional support and should be promoted locally to both GPs and local employers.

In commissioning public sector services, partners should seek to ensure that minimum payment of the London Living Wage is made by contractors and sub-contractors.

Local public services and commissioners should ensure that the apprentice levy is fully exploited to the benefit of local people, including people with disabilities. Opportunities should be channelled through local partnerships and providers wherever possible. The agencies represented at the Barking & Dagenham Employability Partnership and Care City Partnership can offer routes to local people and training provision.

All health strategies and commissioning activities should require that workplace initiatives to promote health and well-being are put in place by contractors and sub-

contractors delivering any service procured with public monies. This should be actively monitored.

There needs to be a closer relationship between current Work Programme contractors, employment services more generally and health services to deliver sustainable employment for borough residents. This will be essential to the success of the upcoming Work and Health Programme.