



# What is the relationship between health and employment?

**Employment status and perceived and actual health are intrinsically linked, with good health associated with being in work and poor health linked to long-term unemployment. Being out of work is associated with poor physical and psychological health as well as mortality.**

Being in work or returning to employment has a positive impact on a person's health irrespective of time spent unemployed due to increased resiliency, self-esteem, fulfilment and opportunity for social relationships<sup>1</sup>.

Employment is beneficial for health as it:

- Helps to promote recovery and rehabilitation.
- Leads to better health outcomes.
- Minimises the harmful effects of long-term sickness absence and worklessness.
- Reduces the chances of chronic disability, long-term incapacity for work and social exclusion.
- Promotes full participation in society.
- Reduces poverty and improves quality of life and well-being.

*Adapted from Waddall and Burton, 2006<sup>2</sup>.*

Employment factors associated with good health include:

- Better job quality, security and pay.
- Opportunity for career development and progression.
- Higher level of control over work and flexibility regarding working hours and conditions.
- Better relationships with co-workers.
- Full-time as opposed to part-time work.

Increasing risk of unemployment is associated with rising mortality, ill health and employee absence. This is particularly true for mental health, due to stress caused by job insecurity and redundancy.

## 28%

of 19 year olds with disabilities participate in higher education vs 41% of non-disabled population, preventing access to skilled and professional jobs



## The impact of disability or poor health on employment prospects

Disability and long-term health conditions are likely to have a negative impact on employment status and quality:

- People with disabilities or long-term health conditions have the highest rates of unemployment in the UK.
- In 2009, 77% of non-disabled people were in work in the North West compared to 44% of people with disabilities<sup>3</sup>. Nationally, 50% of people with disabilities are employed.
- The onset of a disability is strongly linked with declining income and increasing unemployment. Unemployment rate increases the longer a disability is present.
- People with disabilities or long-term health conditions are more likely to be in low paid and poor quality jobs. A higher proportion of non-disabled individuals are in better paid and higher level employment<sup>3</sup>.
- Those with disabilities or long-term health conditions are at an increased risk of redundancy and may be less able to compete for limited jobs.
- Individuals with mental illness, depression or learning difficulties are particularly likely to be unemployed<sup>3</sup>.



**50%**  
of people with disabilities  
are employed

## The barriers to employment for people with disabilities or long term health conditions

People with disabilities or long-term health conditions may experience barriers preventing them from entering employment. These barriers often need to be overcome to introduce an incapacity benefit claimant into employment. Barriers include:



- Beliefs that an individual is unable to work, which can be demotivating.
- Worsening health due to time spent unemployed.
- Need for workplace adjustments, specialist equipment and facilities.
- Lack of affordable private or public transport.
- Inequalities in education preventing access to skilled and professional jobs. It is estimated that 28% of 19 year olds with disabilities participate in higher education compared to 41% of the non-disabled population<sup>3</sup>.
- People with disabilities are less likely to have any qualifications: 24% have no qualifications compared to 10% of the non-disabled population, and are less likely to have level two or degree level qualifications<sup>3</sup>.
- Decreasing availability of unskilled work in the 21st Century.
- The high costs of employment (transport, childcare, clothing).



## The proportion of the population affected in the North West

In the North West 20% of the working age population have a disability, of which 80% have a work limiting disability<sup>3</sup>.

At the end of 2011, the North West contained three of the ten Local Authority constituencies (Liverpool Walton, Birkenhead and Knowsley) with the highest rate of Employment and Support Allowance (ESA) claimants in England. The North West had the highest rate of claimants of any incapacity benefit in any region of England (9%)<sup>4</sup>.

The most common reason given for claiming an incapacity benefit in the North West is due to mental health reasons<sup>5</sup>.

## The likely impacts of incapacity benefit reform

Individuals claiming incapacity benefits are being re-assessed to see if they qualify for ESA or if they are capable of returning to work<sup>6</sup>. This process started in spring 2011 and is intended to be complete by spring 2014, by which time approximately 1.5 million claimants will have been assessed.

The reforms are likely to have the greatest impact in areas where the numbers claiming incapacity benefits are highest and in the most disadvantaged communities<sup>7</sup>. In the North West it is predicted that the number of claimants of incapacity benefits is likely to decrease by over 40% following re-assessment, and in over 50% of these cases individuals will lose entitlement to all benefits<sup>7</sup>.

Consequently, numbers claiming Jobseekers Allowance are expected to rise. It is therefore particularly important at this time to improve support to those with disabilities or long-term health conditions to return to work.

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## The financial benefits of improving employment rates

- In 2009-2010 total expenditure on incapacity benefits equalled £6.1 billion<sup>8</sup>.
- Improving employment rates amongst claimants would reduce much of the expenditure through benefits associated with being disabled and being unemployed.
- It is estimated that if the employment rate amongst disabled people increased to that of the national average then this would increase the country's Gross Domestic Product by approximately £13 billion<sup>9</sup>.

# Supporting returning to employment – the evidence

**This section features evidence from six systematic reviews of interventions, programmes and schemes aimed at improving opportunities for people with disabilities or long-term health conditions to return to work.**

## Increasing the chance and speed of return to employment

- Providing access to personal advisors or case management schemes for individuals with long-term health conditions is likely to have a positive impact on employment<sup>10-12</sup>.
- The Pathways to Work Programme may be a successful approach allowing claimants to attend work-focussed interviews and receive support aimed at helping them return to work<sup>12</sup>.
- Aim to move individuals towards returning to work by focusing on aspects such as increasing motivation and building relationships and trust with staff. This will improve the prospects of those furthest from returning to work, and reduce pressure on staff to reach difficult targets<sup>11</sup>.
- It should be ensured that personal advisors have sufficient time with clients<sup>11</sup>. Staff must be trained to deal with complex health issues, such as mental health problems<sup>5</sup>.
- Incentives for job seekers such as wage top-ups, contributions to travel costs and tax credit improves employment rates amongst those who take them up and can help the transition into employment.
- It is important to improve awareness of available incentives to improve uptake. Incentives offered should not be too low or short-lasting to be attractive, particularly as income from other benefit claims may be lost due to employment<sup>10, 11</sup>.
- Financial incentives offered to employers such as wage subsidies may have positive benefits on the employment prospects of people with a long-term disability<sup>13</sup>. The level of incentive is important: if subsidies are low they are likely to be ineffective or used to provide low skilled or low paid jobs only<sup>10, 13</sup>.

## Improving and managing health to increase return to employment

- Health is the largest predictor of movement back into employment so tackling the health needs of those with long-term illness or disability is important.
- The Condition Management Programme is one intervention that aims to help claimants towards employment, addressing complex issues including self-confidence, anxiety and the management of long-term health conditions or disabilities. Positive feedback from claimants on the Programme's methods has been recorded<sup>5, 11</sup>.
- Improving client motivation to find employment and uptake of other additional Jobcentre Plus interventions are important predictors of returning to work<sup>11</sup>.
- Offering adjustments in the workplace such as flexible working hours, adaption of buildings and the provision of equipment or support workers can support people with disabilities to find (and remain in) employment<sup>10, 13</sup>. This may be particularly applicable for low skilled jobs<sup>13</sup>.



## Improving return to employment after sickness

- Engaging with workers with poor health in the workplace early on before they have to take long-term sick leave, or in the early stages of their absence is likely to have a positive impact on their return to work time<sup>12</sup>.
- Return to work after long-term sickness is improved by multidisciplinary interventions. Including physical training or physiotherapy and a psychological element such as cognitive behavioural therapy or vocational elements are likely to be effective approaches<sup>14, 15</sup>.
- Multidisciplinary interventions that contain a workplace component (such as vocational counselling, workplace visits or workplace assessments) may be particularly effective<sup>14, 15</sup>.
- There is evidence for putting the emphasis on employers to engage with health and social services to improve return to work times, as increased coordination between services is likely to be beneficial and employees may appreciate this demonstration of support from their employer during their rehabilitation<sup>13</sup>.

## Conclusion – Key points

We can support employment among people with disabilities or long-term health conditions through:

1. Delivery of individually tailored advice and guidance.
2. Effective management of disabilities and long-term health conditions.
3. Adaptations to the workplace and working conditions.
4. Multidisciplinary interventions including workplace components.
5. Early engagement with workers to minimise absence.
6. Provision of financial incentives for job seekers and employers.



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