

Cabinet

5 September 2024

WorkWell Mental Health Employment Support Programme

Recommendations

That Cabinet:

1. Authorises the Executive director for Communities in consultation with the Executive Director for Social Care and Health to vary the existing Better Care Fund Section 75 agreement with the Integrated Care Board to accommodate WorkWell on terms and conditions acceptable to the Executive Director for Resources.
2. Approves the Council acting as lead delivery partner for elements of the WorkWell funding and for the Council to lead on the commissioning of joint programmes across Coventry & Warwickshire.
3. Authorises the Executive Director for Communities to carry out appropriate procurement activity and/ or competitive calls for projects to deliver the priorities of the WorkWell Funding.
4. Authorises the Executive Director for Communities to negotiate and enter into all necessary contract and agreements required to deliver the approved recommendations on terms and conditions acceptable to the Executive Director for Resources.

1. Executive Summary

- 1.1 WorkWell is a programme to deliver the Government's vision to create a healthier and more productive nation where an individual's disability or health condition should not define whether they remain in the workplace.
- 1.2 The programme offered by the Department for Work & Pensions (DWP) and Department of Health & Social Care (DHSC) invited Integrated Care Boards (ICB) to submit bids to become Vanguard's who will pilot approaches supporting work and health.
- 1.3 The Council, with Coventry City Council and ICB colleagues responded to the funding call in January 2024, and were announced as successful in May 2024 becoming one of fifteen Vanguard's who will receive funding to mobilise work and health integration with a local focus on Mental Health and Employability

across the ICB area.

- 1.4 The programme is deemed a pilot lasting 18 months from October 2024 and the lessons learned locally will feed into the national evaluation with 3 core points of consideration:
 - a. To deliver a holistic work and health service
 - b. To develop an integrated local work and health strategy
 - c. Support a National Learning programme.

Economy & Health across the ICB Area

- 1.5 The National Economy is starting to show signs of recovery with two consecutive quarters of growth in Q1 & Q2 of 2024. Although positive, this growth is not equally reflected across all areas of the economy. Critically, economic inactivity remains elevated, and unemployment rates are unsettled with steady increases since mid-2022. The economic landscape, coupled with cost-of-living pressures has resulted in the need for public services to innovate and deliver cross-cutting programmes. WorkWell brings together partners focusing on employability and health across the sub-region to develop collaborative system improvements.
- 1.6 The aim for Coventry & Warwickshire is to reduce health disparities and increase employment opportunities. WorkWell will provide employability and early-stage mental health interventions to support individuals to sustain employment. The programme aims to prevent mental health conditions from becoming entrenched with a resulting aim to reduce future reliance on public services (social care / acute health) and critically, providing support to individuals at important inflection points of their work & health journey.
- 1.7 The programme is focused on creating the conditions for a higher and sustained employment rate over the medium to long term, explore mental health barriers to unemployment, increase local resilience and deliver co-ordinated public services leading to positive outcomes.
- 1.8 Data from the Coventry and Warwickshire Mental Health Joint Strategic Needs Assessment indicates that 1 in 5 adults have a diagnosable mental health condition and are at higher risk of becoming unemployed. Individuals who fall out of employment see a rapid deterioration in both psychological and physical health. Unemployment can impact life expectancy - on average, for every 10% increase in the employment rate, healthy life expectancy increases by 5 years. The aggregated impact and investment in WorkWell is intended to reduce reliance on future services and support current employability programmes to enhance the lives of residents.

Prevalence of Mental Health & WorkWell

- 1.9 NHS Fit Notes are indicators of sickness leading to potential economic inactivity. The data covering Coventry & Warwickshire shows the majority of fit

notes reflects mental health and behavioural disorders, with 54,000 issued in the last two years (2021-2023). The second most common condition relates to muscular skeletal with 28,000 fit note issuances over the same period. Mental Health is the leading factor for lost productivity.

- 1.10 Half of the individuals issued a fit note in 2022-2023 for mental health remained out of work for 5 weeks or longer. The impact of this on the economy and requirements for NHS services is significant.
- 1.11 Data from the Joint Strategic Needs Assessment outlines a growing disparity for those with enduring mental health problems. Individuals with mental health conditions typically die 15–20 years earlier than the general population, are over 3 times more likely to attend A&E and 4.9 times more likely to be admitted for urgent physical care needs. WorkWell as an external programme can be leveraged as an early preventative measure which aims to support individuals within the locality before conditions become more severe.
- 1.12 The recommendations permit the Council to:
 - Formalise the partnership with the ICB;
 - Accept national funding for the pilot;
 - And play a leading role towards integrating local services.

2. Financial Implications

- 2.1 WorkWell has been successful in securing £1.75 million of external funding from the Department for Work and Pensions with the accountable body being the Integrated Care Board for Coventry & Warwickshire.
- 2.2 The funding will be shared with the Council via the variation to the Better Care Fund Section 75 which will determine the share of the funding available to support programme delivery and commissioning by the Council.
- 2.3 The funding is paid in quarterly arrears and is defrayed to the ICB on a 60% / 40% model whereby 60% is paid at the end of each quarter as a basic payment and 40% is dependent on meeting quarterly participant numbers on the programme. In addition, the funding includes a fixed budget towards management and team costs: £320,000 (2024/25) and £220,000 (2025/26).
- 2.4 Subject to terms in the Better Care Fund Section 75 agreement, the risk to the Council will be 40% performance-based payments which are dependent on the numbers of individuals who attend 1-2-1 meetings with work and health coaches. The programme has managed this risk by selecting a lower delivery number (1,500 individuals supported over an 18-month period), ensured staffing is staggered to reduce operational costs and profiled the staffing costs against the guaranteed funding only (Basic payment / Management & team). The commissioning of additional elements will be dependent on the programme reaching sufficient numbers in the first 6 months of delivery.

- 2.5 If the Council does not achieve the targeted performance numbers, the WorkWell Strategic Board can vote to restrict delivery of the ancillary elements of the programme and any financial risk to the Council would be minimised. The ICB remains the lead accountable body for the funding and any risk to the Council will be agreed via the variation to the Better Care Fund Section 75.
- 2.6 Planned performance related spend is a mix of project contingency and additional mental health services to increase clinical resources within Coventry & Warwickshire. These costs and services can be deployed and scaled once participation targets from the early stages of the pilot are realised. A Strategic Board to include the Council as a voting member will be in place to support the decision making and investment priorities during programme delivery.
- 2.7 With a total of 54,000 fit notes issued for mental health and behavioural disorders from 2021-2023, the WorkWell pilot programme and target of 1,500 individuals supported over 18 months represents a fraction of local need. The demand for the service stands at 20 times greater than the targets and available resources for WorkWell. The delivery team will achieve an outcome by shaping a progressive pathway for individuals offering light touch support. The outcomes for the pilot are achievable and present low risk to the Council when compared against the local prevalence for mental health conditions.
- 2.8 The Council is currently delivering pilot activity funded from existing budgets from the ICB and Coventry City Council to explore likely referrals and achievable numbers on the programme. This will ensure a clearer picture of mental health organisations across the area, develop referral pathways into the programme and to connect with critical health services ahead of the WorkWell defined programme start in October 2024.
- 2.9 The financial risk to the Council is minimal due to a back-to-back funding agreement between the DWP & ICB followed by an agreement between the ICB and WCC (Better Care Fund Section 75 variation). The fixed costs of the programme can be met by the basic payment (60%) and any additional expenditure will only be made when it can be budgeted from the performance related payments (40%). Sufficient financial controls are in place, to sustain the programme and reduce residual risks to the Council.

2.10 An indicative finance table for WorkWell has been provided below:

Year	Type of Funding	Maximum Funding Total
2024/25	Management & Team	Guaranteed £320,000
2024/25	Basic Payment 60%	Guaranteed £216,000
2024/25	Performance Payment 40%	Potential + £144,000
2024/25	Maximum Total	£680,000
2025/26	Management & Team	Guaranteed £220,000
2025/26	Basic Payment 60%	Guaranteed £510,930
2025/26	Performance Payment 40%	Potential + £340,620
2025/26	Maximum Total	£1,071,550
	Grand Total – WorkWell	£1,751,550

2.11 The process of determining the share of the funding received by the Council will be agreed via the variation to the Better Care Fund Section 75 agreement. As a lead delivery partner for WorkWell, the Council will be reimbursed costs towards staffing the programme, day-to-day costs of the service and providing additional resources (internal & external) to supplement delivery of the programme. The Council is not expected to incur additional costs outside of the funding provided via the ICB.

3. Environmental Implications

- 3.1 WorkWell establishes a new direction for the existing Skills Hub team. The new service will incorporate the direction of the Sustainable Futures Strategy into the planning of activities.
- 3.2 Under direct control of the Council are the management of assets created by the service, frequency of vehicular use and the appropriate disposal of waste. These will be carefully managed to minimise the environmental impact and ensuring resources are used only when necessary to the service. The commissioning of goods and services will incorporate selection criteria to support the environmental aims of the Council and ensure others also directly reduce emissions under their control.
- 3.3 Some WorkWell meetings will require face-to-face appointments. However, the service will promote the use of public transport and utilise digital enhancements (online meetings and paperless systems) to reduce the use of resources which contribute to carbon emissions.
- 3.4 In alignment with the Sustainable Futures Strategy, we aim to have a County where people have the skills and access to new green jobs. The Future Skills advisor within the Skills Hub will complement the activities of the WorkWell programme and provide additional guidance to shape future roles which contribute to business and environmental sustainability.

4. Supporting Information

- 4.1 WorkWell is a unique opportunity to collaborate and shape joint services for Mental Health and Employability. The programme will deliver objectives for the Council Plan, Strategic Economic Plan, and feed into the development of an emerging Skills Strategy. The influence and partnerships will create strong integrated services across the sub-region.
- 4.2 The strengthened relationship with local partners will also provide future opportunities for bidding for external funding. In June 2024, the ICB approached the Council to take part in an additional muscular skeletal & employment support focused bid to the DWP & DHSC totalling £255,000. The Council supported the ICB and aided in compiling a funding bid submitted by the ICB.
- 4.3 WorkWell opens up existing challenges in the healthcare sector which will be navigated in partnership with the ICB as the Accountable Body. The challenges include integrating with the wider healthcare sector, establishing a baseline of the mental health services across the area, and ensuring the programme delivers the transformative benefits required of the pilot. Indirectly sharing this responsibility creates increased exposure towards employment support challenges from the health sector. This reflects current government policy and their focus towards providing holistic solutions across health and work.
- 4.4 The Council will be the main delivery partner for this opportunity, and this provides an opportunity to pilot innovative approaches to employment support, a national voice for mental health management and to explore shared services across Coventry & Warwickshire.
- 4.5 The considerations for the programme include a requirement to act as the lead delivery partner accountable for programme outputs and to generate the appropriate numbers of referrals from new and established routes of engagement. This will be critical to the success of the pilot and subsequently evaluated.

5. Timescales associated with the decision and next steps

- 5.1 Upon approval by the Council, Senior Officers will work to complete a variation to the Better Care Fund Section 75 Agreement on terms acceptable to the Executive Director for Resources and agreeable by the Executive Director for Communities in consultation with the Executive Director for Social Care and Health.
- 5.2 The ICB will seek a vote from its governing body to approve the variation to the Better Care Fund Section 75 and proceed with the approval of the delivery specification.
- 5.3 The programme will continue to deliver the pilot until October 2024 when the

core WorkWell Funding is initiated, and the national programme lasting 18 months is live.

- 5.4 A Service Level Agreement will be extended to Coventry City Council to set out requirements which support the delivery of WorkWell and outputs for Coventry.
- 5.5 The Council will work with the ICB and contribute to the development of the Work and Health Strategy with an opportunity to incorporate Council key objectives. The Council Plan & various strategies reflecting the importance of health will be prioritised.
- 5.6 Programme recruitment will commence for an October 2024 start with a total of 14 new posts to be funded via WorkWell.
- 5.7 A formal ICB board will invite Strategic Leaders across Coventry & Warwickshire to oversee the WorkWell programme.
- 5.8 Upon conclusion of the pilot activity, the DWP will conduct a national evaluation with all 15 Vanguard areas. If the programme is deemed successful and an effective route of supporting individuals, further funding is expected to be available to continue developing work and health programmes underpinned by national policy.

Appendices

None.

Background Papers

None.

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The report was circulated to the following members prior to publication:
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Councillor Margaret Bell Portfolio Holder for Adult Social Care & Health

Local Member(s): N/A This is a countywide report

Other members: Chair and Spokespersons of the Communities Overview and Scrutiny Committee