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Addressing health inequalities through employment: *challenges and opportunities for strategic authorities*

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About CLES

CLES is the national organisation for local economies. Established in 1986, we are an independent charity working towards a future where local economies benefit people, place and the planet. This will happen when wealth and power serve local people, rather than the other way around, enabling communities to flourish. We have an international reputation for our pioneering work on community wealth building and are recognised as the curators of the movement in the UK.

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About this essay

This is the second in a series of essays that will answer key questions about the effectiveness of devolution in addressing health inequalities. It is part of our joint programme of work supported by The Health Foundation.

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1. Introduction

As the newly published 10 Year Health Plan for England acknowledges, employment is one of the most important determinants of physical and mental health.[1] People experiencing long-term unemployment have a lower life expectancy and worse health outcomes than those who are in work.[2] Employees in low-quality jobs are more likely to experience poor health outcomes.

Despite some variation in devolution settlements, we know that the unique powers and resources that Strategic Authorities (SAs)[3] have in relation to regional and sub-regional employment policy are a powerful lever with which health inequalities can be addressed.[4]

This essay, which is part of our ongoing programme of work supported by The Health Foundation, draws on interviews and discussion groups with mayors and SA officers. It highlights ways in which the employment programmes that have been utilised to date within SAs and their wider ecosystems could be scaled and amplified to achieve greater impact on narrowing health inequalities and achieving the ambitions of the 10 Year Plan.

We begin below, with some brief context setting: situating SA progress on addressing health inequalities through employment programmes within the current policy context and highlighting the challenges posed for action on health inequalities. In section three, we present four key actions which should enable SAs to overcome this challenge and achieve greater impact. Finally, we offer some brief conclusions with emerging recommendations for national policymakers.

2. Context

We know that health inequalities are generated and experienced in multiple ways.[5] We also know that access to good and fair work is important in reducing the chance of experiencing health inequalities, if it is offered and experienced equitably.[6]

Action to improve employment opportunities and health inequalities can take many forms, ranging from the intervention of the health and care system to improve people's health through prevention and treatment, to the economic development policies of local, regional and national governments. All of these approaches have a role to play, helping those who have health issues stay in work while increasing and sustaining access to good employment for people furthest from the labour market.

From our work to date, and the conversations we have had with SAs, the policy and practice focus is primarily on programmes to support people to get into and stay in

[1] L Marshall. (2024). What builds good health? An introduction to the building blocks of health. Health Foundation. Read.
[2] M Bartley et al. (2005). Chapter 5: Health and labour market disadvantage: unemployment, non-employment and job insecurity. Social Determinants of Health 2nd Edition. Oxford University Press: Oxford.
[3] We use the term Strategic Authority in line with the language in the English Devolution White Paper. We note that this definition includes a number of sub-groups. However, the focus of our research to date has been on Mayoral Strategic Authorities. This includes the Greater London Authority, all Mayoral Combined Authorities and all Mayoral Combined County Authorities.
[4] West Midlands Combined Authority. (2025). Health in All Policies: A toolkit for mayoral regional authorities. Read.
[5] E Williams et al. (2022). What are health inequalities? London: the King's Fund. Read.
[6] M Marmot et al. (2010). Fair Society, Healthy Lives (The Marmot Review). The Institute of Health Equity. Read.

good work, and on supporting organisations to offer good work. The rest of this essay therefore focusses primarily on these areas of policy and practice innovation and how SAs can actively work to reduce health inequalities.

Despite a lack of evaluation evidence, there is significant action underway within SAs which should help to narrow health inequalities.[7] This includes various forms of employment support: to help people who are economically inactive and long-term unemployed to both find and sustain employment; specific support for those with health challenges; and, support for employers, to create a workplace that promotes employee health and wellbeing. It also includes the use of good or fair employment charters to elevate employment standards across regions and sub-regions and encourage a more equitable distribution of employment opportunities.

UK government policy: challenges and opportunities

In recognition of the challenges that exist around work and health, there has been a flurry of activity recently from UK government, particularly the Work Well programme introduced in 2024, and the current government's Get Britain Working White Paper (see below).

Work Well aims to address the growing issue of economic inactivity due to health-related barriers by integrating health and employment support services to assist individuals in starting, staying and succeeding in work. It is being piloted in 15 "vanguard" areas in England and is being led locally by the NHS.

The Get Britain Working White Paper introduces a series of additional interventions that are to be delivered both regionally and locally by different groupings of partners, including local authorities and SAs, Integrated Care Systems (ICSs) and Job Centre Plus, as well as the third sector, education and skills providers, and employer groups.

[7] See TL Goodwin et al. (2024). Tackling health inequalities through English devolution: towards a new framework. CLES and The Kings Fund. Read.

Moreover, we are starting to see evaluation work coming through here. For example, the Greater London Authority (GLA) have done an evaluation which has showed benefits in wellbeing (both directly and indirectly through improving access to work opportunities). Nevertheless, a more comprehensive evaluation of these kinds of interventions is needed.

The Get Britain Working White Paper explained...

The Get Britain Working White Paper, published in November 2024, outlines the UK government's strategy to reduce economic inactivity and increase employment, particularly among people with long-term health conditions. The paper targets the rising number of people out of work due to long-term sickness — now over 2.6 million — by combining welfare reform, health system enhancements and local skills support.

Key measures include £125m in new funding for local work, health, and skills initiatives across nine areas of England and Wales, and £45m for NHS-led health and growth accelerators in South Yorkshire, the North East and North of Cumbria and the West Yorkshire – in short, those parts of the country most affected by economic inactivity, driven by ill health. The accelerators aim to better integrate healthcare with employment services. A £115m "Connect to Work" scheme will support up to 100,000 people with health conditions into employment annually, while £45m will go toward Youth Guarantee pilots for young people not in education or work.

The paper also expands mental health employment support, increases NHS capacity to reduce waiting times and aims to shift toward a "work-first" welfare system.

Overall, the paper seeks to achieve an 80% employment rate by addressing the root causes of economic inactivity and ensuring work becomes a realistic and supported outcome for more people.

In conjunction with the White Paper, the government has also commissioned the Keep Britain Working Review to inform future policies and initiatives aimed at reducing economic inactivity and promoting a more inclusive workforce.

When it comes to supporting individuals with their employment needs, the aim – as one SA officer explained to us recently – is to have

"one front door – a hide the wirings approach to make the landscape less disjointed, fragmented and complex".

To this end, the West of England Combined Authority have, for example, established Skills Connect, which brings together and aligns various aspects of the employment support they offer for different cohorts of individuals. However, while SAs are expected to produce Get Britain Working Plans to manage and align local provision, the current policy context where we now have a number of strategic commissioners including SAs and the NHS, as well as the Department of Work and Pensions via Job Centre Plus, is challenging, as a group of SA officers explained:

"there's so many programmes happening at the moment... happening at different levels"

"when you get these new programmes with a lot of parameters around them, it's quite hard to conjoin them"

"my big nervousness from a health perspective and particularly a prevention perspective is the shunting of more people into poor quality employment, which is actually detrimental to the health of the population."

Our view...

On the face of it, more resource is positive: in addition to the employment and skills programmes that SAs had been running prior to these latest policy interventions, there are now a series of new programmes to be incorporated and integrated into SA ecosystems. However, as the above insights highlight, this is presenting a challenge on the ground making it harder to present a "one front door" approach and avoid duplication.

Furthermore, the final quotation above speaks to an issue in how both Work Well and the Get Britain Working White Paper are framed (in parts) and with how these agendas are being interpreted by some individuals on the ground – in short, that we just need to get people working to drive economic growth. However, raising the employment rate and driving growth are of course not sufficient when it comes to addressing health inequalities. Without paying attention to the components of growth – particularly the amount of growth that is being realised as good wages and the quality of the jobs on offer – then we risk making health inequalities worse and could facilitate the above concern about "shunting" people into low quality employment.

As such, SAs have an important role in helping deliver the national mission to increase the number of people in employment while driving inclusive and sustainable growth which includes having an impact on health inequalities. The government's new health duty for SAs could help ensure this balance, if designed well, which we discuss in our previous essay.

3. Four priorities for action

In this section we identify four key actions that SAs should be working towards to address the challenges outlined above.

Actions one to three are based on an amalgamation of leading-edge practice from various different SAs that we observed in our recent discussion groups with SA officers and mayors. Action four is based on additional insights from the grey literature and our wider programmes of work.

1. Establish closer working relationships across the SA ecosystem to prioritise action on health inequalities.

In order to overcome the fragmented landscape described above, and to ensure that health inequalities are prioritised, some SAs are looking to develop more formal links between local partners, going beyond the requirement to create Get Britain Working plans. In Greater Manchester and West Yorkshire, for example, the SA and the ICS have funded joint posts to work across the system – "*to undertake joint*

activity on behalf of both of us" as one SA officer explained, *"[contributing] to 'working well' in it's broadest sense*" and action on health inequalities.

In Greater Manchester, they have established an *"inclusive employment unit where colleagues from the SA, DWP and the ICB come together on a regular basis"*. This ensures that the system is joined up in all the work they do around work, health and growth, helping them to prioritise the need from a health perspective for people to be in good employment, as well as increasing the overall employment rate. Internally too, some SAs are recalibrating their resources to combine employment and business engagement, for example. This is being facilitated in West Yorkshire in the following way:

> *"On the employer side... We're lucky enough to be integrated with our business teams. Advisors are actively working with employers that don't typically engage to see what the incentives or the kind of job creation schemes are that might work for them".*

2. Align resources to support people on their journey to sustainable employment.

With good linkages across the system in place, some SAs are also looking to align the resources provided by different partners within the system, enabling them to "*focus on a person from multiple different standpoints*" and avoid problems with duplication. One of the ways in which this is being done in the West Midlands, for example, is through the Youth Guarantee initiative, linking this to an existing Scandinavian job rotation pilot run by Coventry City Council. The idea, as one SA officer explained, is that you identify employers and then work with them both to create entry level routes for people to enter the labour market and then to develop higher level skills:

> *"if targeted appropriately, it begins to give you an opportunity to kind of get the system working together".*

This is important for impact on health inequalities, as people need to benefit from long-term, settled work and the skills to maintain it, if there is to be a lasting effect on their health. To improve targeting here, SA officers felt that this approach could also be supported by "*more granular regional data analysis to understand local work-related needs*".

3. Negotiate with government for greater permissions.

Nevertheless, when it comes to formalising this co-ordination role, and aligning pots of funding, a key barrier here is that SAs are often constrained by "*national ring fencing [and] national requirements*" in relation to the current policy agenda, which as one SA officer explained, "*holds us to very specific things*", particularly in relation to the health and growth accelerators, which are managed through the NHS.

Some more mature SAs are therefore looking to push back to government and negotiate for a scenario whereby the SA takes on the responsibility for co-ordinating all activity *"around work, health and growth."* They are also looking to

negotiate for more of this resource to be delivered through their integrated settlements so that it *"flows into the SA and is delivered on behalf of the system".* By securing this even stronger co-ordination role around work, health and growth, the sense is that this will enable greater impact on health inequalities.

4. Harness the power of anchors

Finally, although not the focus of activity, a number of practitioners did emphasise the wider role that SA partners can play as anchor institutions themselves, and convenors of networks of other anchors, to utilise employment resources to target those furthest from the labour market.

> *"Part of this is making sure we start at home and that we are good employers... Strengthening local authorities, other public services and the NHS to be good employers in their own right, is really fundamental to some of this".*

To this end, there are a number of successful initiatives being run by the NHS to target employment opportunities to the people and communities who need them the most. In the West Midlands, for example, the local NHS has led an employment initiative called I Can and is now reserving a proportion of its jobs for the recipients of pre-employment training schemes, targeting disadvantaged communities and settling residents into secure employment.

Similarly, in Greater Manchester, the Northern Care Alliance NHS Foundation Trust has mapped its employment profile and identified deprived postcodes where it is not employing people and has worked with the third sector to design specific pre-employment training packages to help local residents enter their workplace.[8]

In terms of impact, after three years, over 750 unemployed Birmingham residents have received job offers and a further 242 are either in or awaiting pre-employment training. 70% of these participants have been recruited from BAME communities, and approximately 10% have a registered disability. I Can has also achieved a 32% increase in engagement from wards with the highest levels of disadvantage compared to previous NHS recruitment patterns and a 97% retention rate after six months in post.

In light of this impact, and although these examples have been driven by the local NHS, there could be a co-ordination role for SAs here to work across all local anchors to encourage the adoption of similar schemes and to scale and amplify their presence by involving all local councils and NHS partners, and potentially the private sector too.[9] This could potentially be supported through SA skills and employment budgets and the additional resource provided by the Get Britain Working initiative.

[8] For further insight on the power of anchor intuitions in building healthier places see: TL Goodwin (2023). Health Places: Building inclusive economies through integrated care systems. CLES. Read. See also a recent webinar from the Health Anchors Learning Network.

[9] While the involvement of the private sector within local networks of anchor institutions is not widespread, it is starting to become more common place. For example, places like Salford, Leeds and Sandwell all have representation from the private sector.

4. Conclusion

While SAs are at different stages of development, the four activities described above should provide food for thought in all contexts to achieve greater impact on addressing health inequalities through employment.

Intent is key here, however, and SAs need to be mindful of the tension between the national mission to increase the number of people in employment and the need from a health perspective for people to be in *good* employment.

To this end, our work here speaks to the need for continued action from national policy makers. The proposed health duty on mayors and SAs could be a helpful directive,[10] depending on the form this takes. More fundamentally, in addition to the recent English Devolution White Paper, the government should consider how the future of devolution policy could address the somewhat convoluted landscape described above, particularly around how best to co-ordinate activity and funding in relation to employment and skills across SA ecosystems. This could include giving SAs the formal responsibility for co-ordinating all activity around work, health and growth. The government could also look at simplifying the Get Britain Working resource allocation so that SAs are in charge of all funding allocations.

[10] D Buck, L Tiratelli and TL Goodwin (2025). A new health duty for mayors and strategic authorities: getting it right. CLES. Read.