



Bridging Employability, Skills & Health Systems

Summary Report of the Belfast Health & Work Steering Group

August 2025

BELFAST

Labour Market Partnership
Working Together



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1. BACKGROUND

The Belfast Labour Market Partnership (LMP) established the Belfast Health & Work Steering Group bringing together government departments, health agencies, education providers, and community organisations to design a joined-up, inclusive employability and skills ecosystem which better embeds health provision, thereby ensuring that future services are responsive to the needs of economically inactive individuals facing socio-economic exclusion. This report identifies the challenges, defines priority groups, and develops innovative, evidence-based proposals to support individuals in improving health, building employability, and securing meaningful work. Operating until late summer 2025, the group was tasked with producing recommendations aligned with policy agendas and shaped by diverse perspectives. While the initiative is Belfast-focused, its findings and solutions are intended to inform and benefit other areas across the region. Regular updates are shared with LMPs to encourage broader application and collaboration. Ultimately, the ambition is to create a more integrated, person-centred approach to tackling economic inactivity, ensuring long-term impact and inclusive growth.

2. OVERVIEW

INTRODUCTION

Established to create the conditions of enabling better outcomes by tackling fragmented service delivery, the Steering Group promotes a collaborative, evidence-based model for future interventions aimed at targeting those who are economically inactive. It seeks to ensure services are co-designed, locally aligned, and capable of delivering sustained outcomes for economically inactive individuals across Belfast and the wider region. With a limited time-bound lifespan, the aims have been to:

- Identify health and work-related challenges affecting economically inactive residents.
- Define target groups within the economically inactive population for inclusion.
- Develop and promote approaches and proposals that support people along their health and employability journey.
- Make recommendations to the successor of the UK Shared Prosperity Fund (UKSPF) – the Local Growth Fund (LGF) – to avoid past funding disruptions such as that during the transition from ESF to UKSPF and to shape future employability, skills and health services through a more collaborative, cohesive and joined up approach both within LGF projects and with the wider employability, health and skills systems.
- Longer-term recommendations to influence policy decisions at a regional level, creating greater integration and proactive collaboration across employability, health and skills systems. Beyond funding, this involves structural reform across public services to reduce economic inactivity through shaping future government policy and embed joined-up service delivery across the region.

MEMBERSHIP AND STRUCTURE

The Steering Group was made up of senior representatives from Department for Communities, Department for the Economy, Department of Finance, Public Health Agency (and through this the

Department of Health), Belfast H&SC Trust, Belfast City Council, Belfast Metropolitan College, NICVA, CBI and Belfast Works Connect. Supported by Belfast City Council, the group worked together over a period of six months, underpinned by independent research and analysis and informed by good practice visits to other locations that have been trying to address this challenge. While the initiative is Belfast-focused, its findings and solutions are intended to inform and benefit other areas across the region. Regular updates have been shared with LMPs regionally to encourage broader engagement and collaboration and the involvement of the regional government departments means that the wider application of these lessons has been considered from the outset.

INFORMING THE SUCCESSOR TO THE UK SHARED PROSPERITY FUND (PHASE I)

The group's immediate priority was influencing the design of UKSPF's successor, avoiding past funding disruptions. It advocates for co-designed, evidence-led programmes aligned with local needs to ensure continuity and effectiveness in supporting economically inactive individuals.

DRIVING LONG-TERM SYSTEM CHANGE ACROSS PUBLIC SERVICES (PHASE II)

Beyond funding, the group calls for structural reform across public services. It urges better integration of health, employment, and skills systems to reduce economic inactivity. This long-term ambition aims to shape future government policy and embed joined-up service delivery.

3. ECONOMIC INACTIVITY IN NI: THE CHALLENGE



NI has persistently higher inactivity rates than UK average (+4-8%), driven by ageing population & shrinking workforce.



Health is the main driver – 38% of inactive due to long-term sickness (122k people), including mental health, musculoskeletal & chronic illness.



Caring responsibilities affect women disproportionately; childcare shortages restrict participation.



Education & skills gaps (below Level 2) limit access to growth sectors; early disengagement from education heightens risk.



Geographical disparities – highest in deprived urban areas (North/West Belfast) & rural regions with smaller job markets.



Demographics matter: high inactivity in 16–24 (esp. NEETs), 25–49, 50–64; 87% of 65+ inactive; disabled people face major barriers.

UNDERSTANDING ECONOMIC INACTIVITY

This region faces persistently high economic inactivity, driven by health issues, caring responsibilities, low educational attainment, and regional deprivation. Long-term sickness, mental health conditions, and disability are major contributors, especially among men and older adults. Women face barriers due to caregiving and limited childcare. Inactivity is highest in deprived and rural areas, and among those with low qualifications. Young people not in education or training are at risk of long-term disengagement. Addressing this complex issue

requires coordinated, inclusive strategies across health, education, and employment systems, highlighting the need for a health and work approach.

DISABILITY & LONG-TERM HEALTH CONDITIONS

Nearly one in four adults locally live with a limiting long-term condition, with Belfast and Derry & Strabane showing the highest rates. Common conditions include chronic pain, mobility issues, and respiratory problems. Mental health, hearing, and learning difficulties also affect large numbers. Multimorbidity is rising, especially in deprived areas. Disability rates are higher than in England and Wales, with factors like gender, education, and mental health influencing prevalence. These figures underscore the need for sustained, localised support for individuals facing hidden health barriers to employment.

MENTAL HEALTH AND WELLBEING

Mental ill health is a leading cause of economic inactivity regionally. One in five adults and one in eight children are estimated to experience mental illness, with higher rates in deprived areas. Poverty, housing instability, and adverse childhood experiences worsen outcomes. Suicide rates remain high, especially among men. Many affected individuals do not access clinical services, remaining outside health and employment systems. This silent, underserved group must be prioritised in any integrated response to economic inactivity, especially given the post-pandemic rise in mental health-related disengagement.

BRIDGING GAPS: THE CASE FOR TARGETED AND INTEGRATED SUPPORT

Our economic inactivity is deeply linked to health inequalities, chronic illness, disability, and trauma. Traditional employment programmes are insufficient. A strategic, person-centred approach is needed, one that integrates health, social care, and employment support. This model must reflect local realities and address the complex barriers faced by inactive populations, ensuring inclusive, coordinated solutions that promote long-term wellbeing and economic participation.

4. HEALTH AND WORK: A TWO-WAY RELATIONSHIP



Strong evidence base, recognising that economic and health policy goals are interdependent and growing evidence base including WorkWell Partnerships, Individual Placement & Support, Trailblazers etc.



Recognising the health–work link which is a core strand of welfare-to-work policy in UK, recognising the complex and systemic factors contributing to long-term detachment from work



Health as both barrier and enabler with consensus from both policy and evidence that health and work must be addressed together if inactivity is to be reduced.



Lessons from existing interventions on the limitations of siloed systems, scale, narrow eligibility criteria, lack of employer engagement and insufficient community delivery with top-down approaches.



Implications at a regional level: higher baseline inactivity and health inequality, existing community infrastructure, cross-departmental appetite for reform and devolution opportunity.

STRONG EVIDENCE BASE

Robust research shows secure employment improves health, while economic inactivity worsens mental and physical wellbeing with strained health services and uneven outcomes, highlighting the need for integrated approaches. Combining employment support with health services—like therapy and condition management—offers tailored, iterative pathways to recovery and work. UK models such as WorkWell and IPS demonstrate success through joint assessments and shared data, reinforcing the value of collaborative, person-centred interventions.

RECOGNISING THE HEALTH–WORK LINK

Modern welfare-to-work policies now recognise health as central to employment outcomes. Initiatives such as the Work and Health Programme and the Joint Work and Health Unit within GB aim to prevent job loss due to illness, support re-entry for those with long-term conditions, and improve employer capacity. These initiatives reflect a shift from punitive approaches to holistic, recovery-focused strategies that treat work as a key component of health and wellbeing.

HEALTH AS BOTH BARRIER AND ENABLER

Employment benefits health, but poor health, especially mental illness, is a leading cause of economic inactivity. Across the region, long-term sickness affects half of inactive adults, with higher rates in deprived areas. Programmes offering psychological and occupational health support show promise. Addressing health and work together is essential to reduce inactivity for those who want to work.

LESSONS FROM EXISTING INTERVENTIONS

Despite policy support, integrated health and work programmes face challenges: siloed systems, limited scale, narrow eligibility, weak employer engagement, and poor community reach. Top-down models often fail to connect with marginalised groups. In contrast, community-led approaches, such as Greater Manchester’s Live Well Centres, build trust and deliver better outcomes. We need locally embedded, multi-partner models that reflect lived experience and foster collaboration.

IMPLICATIONS WITHIN A LOCAL CONTEXT

Our high inactivity and health inequality demand a tailored, integrated policy response. Strong community infrastructure and cross-departmental interest offer a foundation for reform. Devolution provides flexibility to design locally responsive models, but success depends on investment, leadership, and political will. Aligning health and employment strategies is vital to address regional challenges and improve outcomes.

5. MAPPING EXISTING SERVICES & DELIVERY

As a region, NI provides a broad spectrum of health, employability, disability, and community services, but siloed delivery limits impact for economically inactive individuals with complex needs. Health and Social Care services, especially primary care and mental health, are vital but poorly integrated with employment pathways. Public health initiatives and employability programmes often target those already close to work, leaving gaps for those facing health or social barriers. Community and voluntary organisations play a key role in high-deprivation areas, offering trusted, localised support through health hubs, vocational training, and trauma-informed services. While the UK Shared Prosperity Fund has funded promising community-led projects, duplication and poor alignment with wider policy persist. Integration across sectors remains weak, with limited referral systems, shared data, and unified outcomes. To improve support for those furthest from the labour market, future programmes such as the proposed Local Growth Fund must embed health and wellbeing services, enable flexible access, and strengthen community partnerships. A coherent, place-based model with strategic coordination and investment in shared infrastructure is essential to deliver holistic, inclusive, and person-centred support that addresses the full spectrum of barriers to employment.

6. EVIDENCE & LEARNINGS FROM OUR RESEARCH

DESK BASED FINDINGS

A review of six UK programmes highlights a growing policy focus on integrating health, employment, and social support to tackle economic inactivity. Initiatives like the Work & Health Programme, IPS, NHS Talking Therapies, WorkWell, Connect to Work, and Get Britain Working Trailblazers target individuals with complex barriers—especially health-related—through personalised, multidisciplinary interventions. These models emphasise early engagement, employer collaboration, and in-work support, with IPS showing particularly strong outcomes for people with severe mental illness. Despite progress, challenges remain in scaling services, coordinating across sectors, and addressing social determinants like poverty. The Trailblazers aim to build scalable, place-based models to drive inclusive economic growth.

LONDON VISIT, MAY 2025

During a two-day visit to London in May 2025, the Belfast Health & Work Steering Group engaged with UK government, local authority, and voluntary sector leaders to explore integrated approaches to tackling economic inactivity. Key insights included the Department for Work & Pensions' Get Britain Working strategy, which promotes personalised, place-based employment

support through initiatives like WorkWell, Connect to Work, and IPS. Shaw Trust showcased successful models combining health and employment services, while London's boroughs and Integrated Care Boards demonstrated coordinated delivery aligned with productivity and inclusion goals. The Local Government Association and NHS Confederation stressed the need for long-term investment, devolved planning, and cross-sector collaboration.

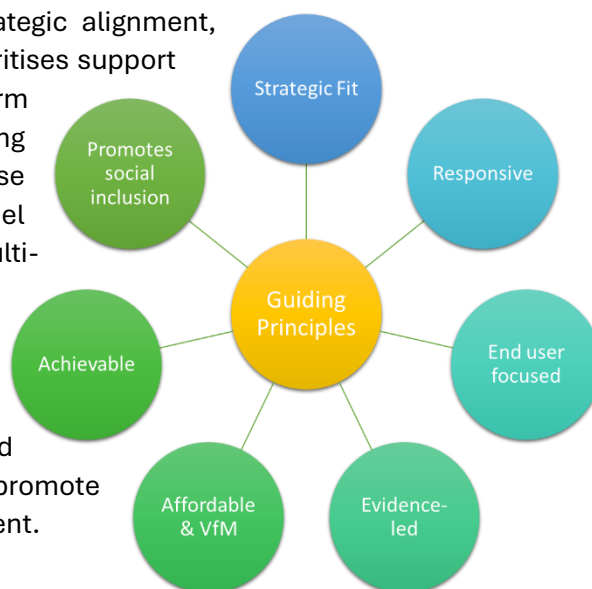
STAKEHOLDER INSIGHTS

Economically inactive individuals face complex, overlapping barriers including mental health issues, low confidence, childcare shortages, and fragmented services. Jobs & Benefits Offices offer tailored coaching, peer support, and employer engagement, but systemic gaps persist. Community organisations provide trusted, flexible support, especially for young people, yet struggle with visibility and funding constraints. Health professionals emphasise the need for integrated, person-centred models aligned with public health goals. Area Integrated Planning Boards and initiatives like IPS show promise in bridging health and employment systems. Cross-sector collaboration, sustained investment, and recognition of community expertise are essential to improving outcomes and reducing economic inactivity. Survey respondents cited health issues, caring duties, and lack of flexible work as key barriers to employment. Many felt unsupported post-assessment and unaware of available services. Despite challenges, most want to work and seek tailored help—especially in mental health, training, transport, and inclusive job opportunities—to make re-entry possible.

7. RECOMMENDATIONS

The Belfast Health & Work Steering Group adopted a twin-track strategy to address immediate funding needs while driving long-term reform across health, employment, and skills systems. Their evidence-based, person-centred approach aims to reduce economic inactivity and shape future programmes beyond the UK Shared Prosperity Fund.

Core principles are opposite and include strategic alignment, inclusivity, and value for money. The group prioritises support for key populations including those with long-term health conditions, those with disability, young people with mental health challenges and those facing multiple barriers. The proposed model integrates Work & Health Coaches and Multi-Disciplinary Teams to deliver personalised, holistic support. Structured outreach and referral pathways connect individuals to financial, health, education, and community services. This integrated, trauma-informed approach ensures tailored interventions that promote wellbeing, confidence, and sustained employment.



7.2 PHASE I: LOCAL GROWTH FUND AND BEYOND

While these recommendations were developed with a focus on the short-term funding landscape, particularly with the implementation of the Local Growth Fund (Economic Inactivity Priority) expected in April 2026, they are also focused on the design and delivery of employability interventions targeting the most socially and economically excluded within society and experiencing significant barriers to employment.

RECOGNITION OF COMPLEX NEEDS IN COMMISSIONING APPROACHES

Economically inactive individuals face multifaceted challenges that require long-term, personalised support including health issues, low skills and caring responsibilities. Current commissioning models often prioritise cost-efficiency and rapid job outcomes, leading to exclusion of those with deeper barriers. The report calls for inclusive, flexible systems that reward progress along the employability continuum (not just measuring ‘into employment’) and enable meaningful, person-centred interventions

TIERED FUNDING MODEL

An evidenced-based tiered funding model is proposed to reflect varying support needs among economically inactive groups. Categories range from light-touch to intensive support, ensuring resources match complexity, with differentiated participant funding (low, medium, high support bands). This approach incentivises providers to engage those furthest from the labour market and supports flexible, co-designed delivery tailored to evolving individual circumstances.

FOCUS ON QUALITY ASSURANCE

Delivering high quality services requires a focus on building and using robust data and insights, including gathering participant feedback. Providers should be accountable to agreed local governance structures, with risk management protocols and quality assurance in place. A robust framework combining differentiated funding, clear targets, and strong accountability will ensure LGF and comparable interventions deliver equitable, impactful support and that there is no duplication of investment.

INTEGRATION AND ALIGNMENT

Align health and employability services with Local Growth Fund (LGF) projects through coordinated leadership at a local level – including through LMPs. Build community-based platforms to create cohesion across statutory, voluntary, and private sector efforts—ensuring services work together to reduce economic inactivity through joined-up, accessible support.

PROGRAMME DESIGN AND DELIVERY

Working Well NI: 2026-2029



Transform how and where service delivery happens – including co-location of services (health; employment support) enabling warm referrals, and normalising employability as part of holistic wellbeing conversations. The model proposed integrates Work & Health Coaches and Multi-Disciplinary Teams within Health to deliver personalised, holistic support. Structured outreach and referral pathways connect individuals to financial, health, education, and community services. This integrated, trauma-informed approach ensures tailored interventions that promote wellbeing, confidence, and sustained employment. In parallel, there is a very deliberate focus on priority target groups including young people, women and carers and those with specific health conditions. Recommendations within programme design and delivery include:



Employ qualified specialists as Work & Health Coaches.



Community-led outreach engagement and induction.



Work and Wellbeing Profile, with agreed diagnostic assessment, triage and action planning.



Embedded visible health offer.



Embed employment as a core goal from day one, providing tailored job support and promote access to good jobs with fair pay and inclusive workplaces.



Personalised aftercare, helping people thrive and employers maintain inclusive, resilient workplaces.

STRATEGIC EMPLOYER ENGAGEMENT

The Steering Group acknowledged the need for more coherent employer-facing services to address business concerns (among SMEs in particular) about their ability to navigate the complex employability support offer. There is an opportunity to work towards the creation of Employer Hubs as a one-stop shop for employer-facing services. In the context of Belfast City Council, this could include our employability and skills support as well as interventions such as Go Succeed.

DRIVING PROVIDER BEHAVIOUR

To ensure high-quality delivery, the group recommends transparent performance data, participant feedback, and independent oversight. Providers should be accountable to local governance, with risk management protocols and quality inspections in place. A robust framework combining differentiated funding, clear targets, and strong accountability will ensure LGF programmes deliver equitable, impactful support.

7.2 PHASE II: DRIVING LONG-TERM SYSTEM CHANGE

As a region we need a system-wide strategy to address health-related economic inactivity. A Regional Health and Work Strategy should align services, funding, and accountability across sectors, laying the groundwork for coordinated, person-centred delivery through strategic reforms, workforce development, and long-term planning.

Working Well NI: 2029+



A Regional Health and Work Strategy, embedded in government policy, must align funding, delivery, and collaboration to build an inclusive, outcomes-driven support ecosystem across

BETTER ALIGNED POLICY FRAMEWORK

A new strategy should be jointly led by DoH, DfC, and DfE, feeding into the Programme for Government with a 5–10 year vision. Co-designed with stakeholders, it must include shared priorities, measurable outcomes, and a cross-departmental taskforce to oversee implementation and ensure accountability.

INTEGRATED SERVICE DELIVERY

Employability and health services must be integrated through co-designed, flexible models. Place-based pilots should co-locate support services in trusted community settings. Sustainable delivery requires formal referral protocols, shared digital infrastructure, and vocational training access via a Skills Fund for underserved individuals.

CO-COMMISSIONING AND SHARED FUNDING

Funding should shift from short-term, siloed models to long-term, outcome-based frameworks. Joint commissioning and pooled resources across sectors are essential, supported by independent evaluation to measure impact and scale effective practices. Delivering an effective health and employment support model in this region requires a shift toward flexible, inclusive

commissioning strategies that reflect local needs and complex individual barriers. Traditional short-term, cost-driven funding must be replaced with value-based, outcomes-focused approaches that support long-term, person-centred pathways. Programmes should allow in-programme innovation, support specialist providers, and prioritise inclusion over standardisation. A hybrid model combining open procurement and grant funding can balance scale and responsiveness. Over time, commissioning should evolve into a co-commissioning framework, with shared responsibility across government, health trusts, councils, and the voluntary sector. This integrated approach would align resources and embed employment support within a broader ecosystem of wraparound services—such as mental health, housing, childcare, and skills—creating a resilient, joined-up system capable of driving lasting change.

CONSOLIDATING EMPLOYER HUBS

Solidifying a cohesive single access-point for employers that navigates through a complex range of supports on offer. Integrated and cohesive employer-facing services will include training, incentives and practical support for inclusive practices, ensuring workplaces are accessible and supportive, both for the employer and their employee.