

BRIEFING | APRIL 2026

Designing and delivering employment support

How can government better support people out of work due to ill health?

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- **2.8 million people**

Number of people out of work due to ill health – equivalent to 6.4% of 16–64-year-olds

- **80%**

The government's employment rate target; it is 75% now. Getting some of the number currently out of work due to ill health back into work will be key to closing that gap

- **£10 billion**

Potential saving if 400,000 people out of work due to ill health moved into employment (recent OBR estimate), showing the value of effective employment support to help people do this

How to design better employment support

1. **Central government should give strategic authorities responsibility for the design and delivery of local employment support.** Strategic authorities are best placed to design support that reflects the local labour market, ensure join-up with other public services and co-ordinate between constituent local authorities.
2. **Strategic authorities should be given more flexible, multi-year funding for employment support through the integrated settlement.** This would enable strategic authorities to design employment support which is integrated with local services and tailored to local communities. This should include greater flexibility over funding allocated for Connect to Work and consideration of greater flexibility for other non-Jobcentre Plus employment support.
3. **DWP and strategic authorities should agree a clear outcomes framework linked to the integrated settlement.** This mechanism for accountability should be focused on outcomes where possible, rather than input or output targets. If government sets out an employment support 'guarantee' of minimum provision, this should be agreed as part of this framework.
4. **Central government should support and adequately resource strategic authorities to build capability to design, commission and evaluate locally delivered employment support.** In particular, policy design capability, commercial expertise and analytical skills should be prioritised. DWP should consider secondments to and from strategic authorities to support capability building and knowledge sharing as part of this.
5. **DWP should support and co-ordinate evaluation of devolved employment support to ensure learning from local innovation is captured and shared.** In the future, the soon-to-be established What Works Centre for local employment support should play a central role in this.
6. **Strategic authorities should explore a 'single front door' approach to improve engagement with employment support.** This should aim to help people access and navigate the range of support available that might best address the various barriers to work they face.
7. **The economic inactivity trailblazers should prioritise understanding how to improve engagement with employment support, Subsequent lines in light.** Ideally not more than two-three lines - Ideally not more than two-three lines.
8. **Government should embrace the inevitable patchwork of national and devolved provision but have clear principles to help shape it,** including in any areas where it intends to continue taking a centralised approach.

The full report can be read and downloaded at:
www.instituteforgovernment.org.uk/publication/employment-support-ill-health or by scanning the QR code.



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