Millions of people in the UK are classed as ‘economically inactive’, meaning they are not in employment and not actively looking or available for work.

Economic inactivity is a big problem, damaging community health and wellbeing, compounding generational poverty, and costing the UK economy billions each year.

But what are the hidden costs of economic inactivity?

This is Jane, she represents one of the millions of Britons struggling to get by.

Jane left a good job due to a mental health condition, she had visited her doctor and was signed off work, but didn’t feel able to discuss her condition with her employer a small business, heavily reliant on its small workforce.

This led to a breakdown in trust on both sides, and Jane left.

She now relies on benefits to get by and lives in insecure housing.

Money problems put a strain on Jane’s relationship.

Resulting in divorce – a major stressor.

Increased stress and isolation makes Jane’s mental health condition worse and her family’s need for support increases.

Jane’s children were born into financial hardship, they are significantly disadvantaged at school, and drop out.

With little education or skills, they struggle to find work. Joining nearly a million young people across Britain not in education, employment, or training.

Where they live, this is the norm. Their community has high levels of unemployment, long-term dependence on benefits and generational poverty.

How can we change this story?

If Jane had received help earlier, while she was still at work. She could have been supported to stay in her job.

If she had access to support tailored to her needs, known as Individual Placement Support or IPS. Jane could have got the mental health support she needed and kept her job.

An employment specialist would have worked with Jane to assess her wellbeing in eight different areas.

Including her, Mental health, Physical health, Personal resilience and independence, Family and social network, Housing, Education, skills and qualifications, Career search and employability and job satisfaction and work environment.

They would have worked with Jane’s doctor to tailor a plan to support Jane across any of these areas, and also help Jane communicate her mental health challenges with her employer.

IPS would also have supported Jane’s employer by acting as a complimentary Employee Assistance Programme if they couldn’t afford to offer this kind of support.

This would have given Jane help and guidance when she needed it most, helping her return to work and keep her job with ongoing in-work support.

And retaining Jane means her employer doesn’t lose her skills and experience, and saves money on needing to recruit and train a new person.

This is the power of IPS – it helps people, and is good for business too.

Shaw Trust is Britain’s largest provider of IPS services.

We have supported over 19,000 people with health conditions gain and sustain work. We outperform the IPS standard with 44% of the people we support starting work earning, on average, £32,000 per year well above the National Living Wage. And 59% experienced improvements in their mental health.

Investing in IPS also benefits the taxpayer. Every £1 spent on IPS creates £9.22 of value shared between the people we support, their communities and the country as a whole.

This means that in just 3 years, our IPS work would return £20.41million in benefits and savings.

Our evidence is clear, good work is good for our health.

Good work supports communities, boosts the local economy, and releases hidden talent.

To find out how IPS can benefit your community or business.

Contact partnerships@shaw-trust.org.uk