



Public Health
England

Protecting and improving the nation's health

Briefing for local enterprise partnerships on health and work, worklessness and economic growth

About Public Health England

Public Health England exists to protect and improve the nation's health and wellbeing, and reduce health inequalities. It does this through world-class science, knowledge and intelligence, advocacy, partnerships and the delivery of specialist public health services. PHE is an operationally autonomous executive agency of the Department of Health.

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Foreword from Professor Kevin Fenton, Director of Health and Wellbeing, Public Health England

As a partnership between local government and businesses and as the key leaders on transport, housing and infrastructure investment and development, local enterprise partnerships (LEP) decisions have a significant impact on the health and wellbeing of local populations.

Public Health England would like to contribute to LEP ambitions to create the right environment for business and growth and to drive local economic development by highlighting the link between health and work. The evidence that unemployment is bad for your health is clear and likewise that good work is an important contributor to health and wellbeing across people's lives.

Fundamentally a healthy population is one that has the potential to be a healthy and productive workforce for industry. This is key to attracting and retaining businesses and developing dynamic and diverse communities that are sustainable for the future. Many people live within a relatively short commute to their place of work, so the connection between workplace health in local businesses and population health in a local authority is close.

Part of supporting people to achieve their potential in life is looking at how to enable them to enter the job market and maintain economic independence for themselves and their families, especially as they age. This is especially important for individuals with long-term conditions and disabilities where the difference in employment rate between disabled people and the general population is unacceptably large and misrepresents the large number of people in this group who want to work and live independent lives.

Creating pathways to good jobs requires partners from across the private, public and third sector to work together, especially for those who are living with long-term conditions or disabilities. LEP leadership is key to bringing these partners together.

Purpose

This briefing is for decision-makers in local enterprise partnerships (LEP) who are developing local economic strategies. It summarises the potential contribution of health with employment and economic growth, and proposes effective ways to tackle these issues.

This note focuses on people: in employment with health conditions; at risk of falling out of work and onto welfare benefits; or with health conditions not in employment who are receiving benefits.

This briefing is divided into the following sections:

- 1. Introduction** – sets out the case for action
- 2. Key concepts** – briefly explains key terminology and facts
- 3. Priority actions for LEP** – key strategic actions and actions with businesses with high impact
- 4. Further resources** – where you can find more in-depth information on areas covered in this briefing

1. Introduction – the case for action on health for work, worklessness and economic growth

Evidence shows a clear relationship between health and work, which has implications for the leaders in economic growth and the nation at largeⁱ. This is illustrated in Figure 1: good worker health contributes to high productivity and successful enterprises, which in turn supports economic prosperity, and the social wellbeing and wealth of communities.ⁱⁱ

Ill-health among people of working ages is therefore costly for businesses and the economy. The potential economic gains from tackling ill-health and health-related worklessness through the workplace are considerable:

- working age ill health costs the national economy £100bn per yearⁱⁱⁱ
- 131 million working days are lost due to ill health annually^{iv}
- employers face a yearly bill of around £bn for sick pay^v and associated costs with individuals missing out on £4bn a year in lost earnings.^{vi} Despite an improving labour market, productivity in the UK remains 20% lower than the average for the rest of the major G7 advanced economies^{vii}

Local areas have levers to manage some of these issues and support a healthy workforce. In particular, LEP have a remit which requires understanding of their local labour markets and are well-placed to work collaboratively with employers, local authorities and other stakeholders to improve employment opportunities and health for local people.

Creating job opportunities is important, but just having a job is not always enough. We know that quality of work and job working conditions matter for health. Work provides an important source of income and routine for people, we know that low pay and irregular hours can have a detrimental impact on health.^{viii} In addition, insecure employment, monotonous and repetitive work, a lack of autonomy, control and task discretion, imbalance between effort and rewards, lack of workplace justice and poor progression routes^{ix} can all contribute to poorer health, lower job satisfaction^x and poor performance at work.

Addressing poor quality work is therefore likely to be good business for employers in general. Poor employee health and wellbeing is likely to result in lower productivity and increased staff turnover^{xi}, and the implicit recruitment costs and subsequent lower profits that result from this. Conversely, an employer providing a healthy workplace is

likely to be attractive to existing staff and potential applicants, making it easier to retain and recruit good staff.

Figure 1. Health and work cycle



2. Key concepts

Worklessness

What is the working age population?

The working age population is individuals aged 16 to state pension age (SPA). SPA is typically 65 for cohorts of people who will retire before 2016 but will be increased progressively. Under current legislation, SPA for women will equalise with SPA for men at 65 in 2018. Both men's and women's SPA will increase from 65 to 66 between December 2018 and October 2020. The Pensions Bill 2013-14 contains provision for a SPA of 67 to be reached by 2028.^{xii}

Who is classified as unemployed?

The unemployed population comprises people who are out of work but seeking work. In official statistics the unemployed population is "people who are without a job, want a job, have actively sought work in the last four weeks and are available to start work in the next two weeks or are out of work, have found a job and are waiting to start it in the next two weeks". The unemployed population is technically distinct from the economically inactive population which is "those without a job who have not actively sought work in the last four weeks, and/or are not available to start work in the next two weeks".^{xiii}

What is health-related worklessness?

Health-related worklessness refers to people not in employment for a health reason.^{xiv} The population affected by health-related worklessness comprises people claiming out-of-work benefits for a health reason or who are otherwise economically inactive (not working or seeking work) due to ill health.

High levels of worklessness are associated with adverse social and economic outcomes. While levels vary across the country, nationally in:

- Q3 2015, 45.7% of working-age disabled people are in employment compared to 80.5% of working-age non-disabled people^{xv}
- Q3 2015, the employment rate for people with a long term health condition is 60%, and one in three employees has a long-term health condition^{xvi}

These figures present challenges and opportunities to local employers, and LEP can support businesses to recognise the untapped potential among people currently outside the labour market. Taking steps to reach those who are out of work and have long-term health conditions is good for business and the local economy as it can increase the number of high-quality applicants available, create a workforce that reflects the diverse range of customers it serves and the community in which it is based, and bring additional skills to the business.^{xvii}

Workplace wellbeing

What is workplace health and what are workplace health interventions?

Workplace health is promoting and managing the health and wellbeing of staff, and includes managing sickness absence and 'presenteeism' (a person physically at work, but not fully productive). Workplace health interventions are activities undertaken within the workplace by an employer or others to address these issues; it also includes action to address health and safety risks.

The public health benefits of tackling worklessness will only be fully realised if improvements are made in tandem with those in workplace wellbeing. Good evidence shows that the financial benefits of interventions outweigh the costs of managing employee sickness and absence. Benefits include:

- reduced sickness absence^{xviii}
- improved productivity – employees in good health can be up to three times more productive than those in poor health and experience fewer motivational problems^{xix}
- reduced staff turnover^{xx} – employees are more resilient to change and more likely to be engaged with the business's priorities

We know that 24% of sickness absences are caused by musculoskeletal conditions^{xxi} and 11% by mental health issues^{xxii}, including work-related stress. Absence from work due to these common health problems can be reduced by introducing workplace interventions or taking action to improve employee health and wellbeing.

Government initiatives such as the Workplace Wellbeing Charter (see below) support businesses to understand the benefits of improving wellbeing and realise the benefits of a healthy workforce. Progress in this area will help to tackle some of the underlying issues which can inflict large costs on businesses and the local economy, as well as creating a wider public health benefit.

Workplace Wellbeing Charter

The Workplace Wellbeing Charter, championed by PHE as a national standard for workplace health, is a benchmarking process which businesses can work through in order to gain accreditation for their investment in workforce health.

The charter provides employers – of all sizes and sectors – with an easy and systematic way of driving these improvements in workplace health. The charter website contains a set of toolkits, information on local accreditation providers, as well as the charter standards themselves. For more information, see www.wellbeingcharter.org.uk

Figure 1. Costs and benefits associated with wellness programmes^{xxiii}

Programme costs	Intermediate benefits (non-financial)	Related bottom line benefits (financial)
Start-up costs <ul style="list-style-type: none"> • Management time • External consultants • Capital equipment • Promotion, marketing • Training, etc. Operating costs <ul style="list-style-type: none"> • Management time • Staff salaries • Bought-in goods/services • Training, etc. 	▼ Sickness absence	▼ Overtime payments ▼ Temporary recruitment ▼ Permanent staff payroll
	▲ Employee satisfaction ▼ Staff turnover	▼ Recruitment costs
	▼ Accidents & injuries	▼ Legal costs/claims ▼ Insurance premiums ▼ Healthcare costs
	▲ Productivity	▲ Revenues ▼ Overtime payments ▼ Permanent staff payroll
	▲ Company profile	▼ Recruitment costs
	▲ Employee health & welfare	▼ Healthcare costs
	▲ Resource utilisation	▼ Management time

◆—————◆
Financial assessment: relate costs to financial benefits

3. Priority actions for LEP

LEP can use their leadership role in the local community to tackle worklessness and promote the health and work agenda in a range of ways.

Strategic actions

- engage local health and wellbeing boards (HWB) – there are shared objectives for population health that can be effectively delivered through collaboration, and the influence that LEP have over local investment priorities can facilitate the delivery of these objectives. As outlined in the case for action within this briefing, health and work will be a strategic opportunity for many local areas and a key consideration in investment decisions. Developing local expertise in health and work will help local partners identify and make use of improvement opportunities
- influence local authorities to promote a healthy workforce and develop a joined-up approach focusing on local challenges. Joint programmes between local authorities, HWB and LEP can have a significant impact on the local area
- ensure that health and work considerations are at the forefront of discussions with local businesses, ensuring that they prioritise good quality work as an enabler of strong and sustainable economic growth. There is a corporate social responsibility angle to this agenda too, as businesses should be committed to considering and protecting the health and wellbeing of their employees
- shape devolution deals – as a result of regional devolution agreements, some local areas are gaining more control over local adult's skills budgets. This will provide opportunities to take action and address skills shortages in local areas to drive economic growth, and LEP can use their knowledge and expertise to influence how this is targeted by engaging with local authorities

Simple actions within businesses

- Signpost local businesses to free interventions operated by national government, such as:
 - **Fit for Work:** [fitforwork.org/](https://www.fitforwork.org/) This service is for people in work, but currently off sick, and is designed to prevent people losing their job as a result of sickness
 - **Access to Work:** www.gov.uk/access-to-work/overview A specialist disability service delivered by Jobcentre Plus, which gives practical advice and support to disabled people, whether they are working, self-employed or looking for employment

- **New Enterprise Allowance:** [Wwww.gov.uk/new-enterprise-allowance](http://www.gov.uk/new-enterprise-allowance) - New Enterprise Allowance can provide money and support to individuals to start their own business if they are claiming certain benefits

- encourage take up of the Workplace Wellbeing Charter as a way of delivering 'good work' and sustainable employment
- work with and promote local social enterprises as a pathway for getting people into work and delivering economic growth
- use local authority public health teams to offer advice and support to employers looking to take the first steps on implementing workplace health programmes
- engagement with the local Jobcentre Plus to enable local employers to take part in schemes to find work for people with health issues or disabilities
- provide advice and support through business organisations like the local chamber of commerce or the Federation of Small Businesses

4. Resources for LEP

General workplace health and wellbeing (prevention of health-related absence or job loss, and improvement of health for workers)

NICE guidelines:

- [Promoting Mental wellbeing at Work \(PH22\)](#) ^{xxiv}
- [Managing Long-Term Sickness and Incapacity for Work \(PH19\)](#) ^{xxv}
- [Workplace Interventions to Promote Smoking Cessation \(PH5\)](#) ^{xxvi}
- [Promoting Physical Activity in the Workplace \(PH13\)](#) ^{xxvii}
- [Workplace policy and management practices to improve the health and wellbeing of employees \(NG13\)](#) ^{xxviii}

PHE resources: ^{xxix}

- [Evidence Review 5: Increasing employment opportunities and improving workplace health](#)
- [Briefing 5a: Workplace interventions to improve health and wellbeing](#)

Supporting job entry for people with health conditions

LGA guidance:

- [Local authority schemes supporting people towards work, An independent report for the Local Government Association](#) ^{xxx}
- [Realising Talent: supporting people with multiple needs into work](#) ^{xxxi} (page 13 onwards)

PHE resources: ^{xxxii}

- [Evidence review 6: health inequalities and the living wage](#)
- [Briefing 3: Reducing the number of young people not in employment, education or training \(NEET\)](#)
- [Briefing 5b: Working with local employers to promote good quality work](#)
- [Briefing 5c: Increasing employment opportunities and retention for people with a long-term health condition or disability](#)
- [Briefing 5d: Increasing employment opportunities and retention for older people](#)
- [Briefing 6: Health inequalities and the living wage](#)
- [Briefing 9: Understanding the economics of investments in the social determinants of health](#)
- [Briefing 10: Lessons from experience](#)
- [Using the Social Value Act to reduce health inequalities in England through action on the social determinants of health](#) ^{xxxiii}

Improving working conditions/job quality

PHE Evidence reviews and briefings:^{xxxiv}

- [Briefing 5b: Working with local employers to promote good quality work](#)
- [Promoting good quality jobs](#)

HSE guides:

- [Health and safety for disabled people and their employers](#)^{xxxv}
- [Off sick and worried about your job? Steps you can take to help your return to work](#)^{xxxvi}
- [Working together to prevent sickness absence becoming job loss. Practical advice for safety and other trade union representatives](#)^{xxxvii}
- [How to tackle work related stress](#)^{xxxviii}
- [Working together to reduce stress at work](#)^{xxxix}
- [Managing sickness absence and return to work in small businesses](#)^{xl}
- [Making the best use of lifting and handling aids](#)^{xli}
- [Managing upper limb disorders in the workplace](#)^{xlii}
- [Don't mix it: a guide for employers on alcohol at work](#)^{xliii}
- [Drug misuse at work](#)^{xliv}
- [Consulting employees on health and safety](#)^{xlv}
- [Health and safety made simple: the basic for your business](#)^{xlvi}

Behaviour change campaign:

- [PHE One You Campaign](#)

Resources for employers available at:

campaignresources.phe.gov.uk/resources/campaigns/44-one-you/overview



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