

Community **Briefing note****Health inequalities and responsible business practice****Background**

As a nation we are healthier now than we have ever been. However inequalities in health persist and in the past ten years we have seen an increasing focus on the wider determinants or 'root causes' of health. These are the conditions in which we grow, live, work and age. This briefing sets out the key health inequalities issues in the UK, the relevance of these to the private sector and what role business can play in tackling the problems.

Health inequalities are a reflection of wider inequalities in education, income, employment, working conditions, environment and housing, access to healthcare and social support networks. Research demonstrates a pattern of reduced life expectancy and higher levels of illness linked to socio-economic status as well as a 'gradient of health' between socio-economic groups. An example of this can be seen in Glasgow where there is a difference of 28 years in male life expectancy between two neighbourhoods.<sup>i</sup>

Poor and ill health can have a direct impact on the private sector through employee absence, lost efficiency and productivity. It is estimated that obesity costs UK business £1.45 billion in sick leave<sup>ii</sup> and tobacco related sickness and absence £328 million per year.<sup>iii</sup> Similarly businesses have a direct role to play in contributing to health equity – as employers who are responsible for safe and decent working conditions or as producers and providers of key products and services which affect health such as food, water and electricity.

**Understanding health inequalities & recent policy**

Health inequalities are the result of a complex and wide-ranging network of factors. People who experience material disadvantage, poor housing, lower educational attainment, insecure employment or homelessness are among those more likely to suffer poorer health outcomes and an earlier death compared with the rest of the population. In simplistic terms the 'health gap' mirrors gaps in income, education and employment levels.

In England, the Government department responsible for public health and tackling health inequalities is the Department of

Health. However it is recognised that tackling the wide determinants of health inequalities requires cross-governmental action.

In 1998, the UK Government commissioned Sir Donald Acheson to undertake an independent report into health inequalities. The report was instrumental in highlighting the need to address health inequalities; it also recognised that tackling the determinants of ill health would be key to this objective.

As a result, policies to address health inequalities have ranged from focusing on employment to income redistribution

(through tax and benefit reform) and area-based initiatives.

### Health inequalities & employability

As an organisation representing business, we are particularly interested in the role of employment in addressing health inequalities.

As outlined above the causes of health inequalities and causes of unemployment are often complex and interlinked. Lone parents, people with disabilities, ex-offenders, homeless people, refugees and care leavers are all over-represented among those who struggle to gain and sustain employment, as are some ethnic groups. This, coupled with issues such as poor skills and low self-confidence, all act as barriers to work. Employability can also be limited by a lack of recent work experience or gaps in employment record.

Some barriers to 'good' work are very tangible, e.g. lack of suitable transport, childcare or a permanent address. Others may be less so, such as low self-esteem. Sometimes the barriers are set by companies or regulators – an example of this is where employers do not effectively recruit ex-offenders.

However, many individuals could and would work, given the right opportunities and support.

#### **CASE STUDY: Marks & Spencer Improving employability through the Marks & Start programme**

In 2004 Marks & Spencer launched Marks & Start, the UK's largest company-led, work experience programme. It supports people who need help getting work - because they are young, disabled, homeless or lone parents. It allows them to try out a job, giving them the confidence and skills to re-enter the job market. To date, over 3000 people have completed the programme and over 1100 have entered employment either with M&S or elsewhere.

Source: M&S Marks & Start data, July 2009.

### Health inequalities & the recession

The majority of evidence suggests that health inequalities will be exacerbated by an economic downturn and in particular by increasing numbers of job losses.

#### **CASE STUDY: EDF Energy Improving employees' emotional resilience in periods of stress**

Redundancy and downsizing induces great stress on both departing and remaining employees. EDF Energy operates an Employee Support Programme (ESP) which provides fast treatment and advice for mental health difficulties.

This programme has resulted in financial and morale benefits, and reduced the scale of ill health.

EDF Energy's Employee Support Programme (ESP) addresses workplace stress, BITC case study, January 2009

It has been estimated that we will see a staggering 26% increase in the number of people experiencing mental health problems by 2010 as a direct result of Britain's economic crisis.<sup>iv</sup> For those who already experience mental distress, it is estimated that 91% will experience worse mental health problems due to debt.<sup>v</sup>

It seems that women may suffer disproportionately as recent redundancy rates for women were almost twice those for men. Women are likely to be affected by reductions in part-time hours, while they remain in lower-paid jobs than men and may face particular barriers to finding new jobs.<sup>vi</sup>



## Health inequalities & responsible business

An effect of the recession is that it has further marginalised the communities with which Business in the Community works. This means that it has never been more important for businesses to act responsibly.

There are various ways that companies can tackle health inequalities – as employers; through their products and services; through their supply chains; and through community investment.

At community level, a failure to invest in health inequalities can result in rising benefit costs and polarised communities. This will undoubtedly have a negative impact on the private sector through diminishing levels of consumption, likely to be combined with higher levels of acquisitive crime.

The menu of opportunities to address health inequalities by individual companies will depend on their sector and location. Nevertheless, Business in the Community has developed a number of campaigns through which to engage business. These include:

### **Business Action on Health**

This campaign aims to highlight the business benefits of better health at work and to make reporting on workplace health issues commonplace in UK boardrooms. It provides practical guidance to businesses and promotes best practice.



### **Let's Get Cooking**

This campaign is a new national network of healthy cooking clubs for children, parents and communities. Focusing on the most disadvantaged communities it develops skills and knowledge about cooking and eating healthy food. The programme involves collaboration between schools, government and businesses.

### **Business Action on Skills**

Working with large private sector organisations, this campaign identifies skills needs and advises companies how to tackle these needs. The campaign has a specific focus on literacy, language and numeracy in the workplace. Organisations can sign up to a Skills Pledge and senior business leaders can become Skills Champions.

### **Talent Plan**

This campaign brings Business in the Community into a coalition with key business, government and community agencies. It works to develop the talent and skills we need to sustain current and future competitiveness. This includes developing people's existing education and skills as well as sourcing new pools of talent.

### **Employability Journey**

Business in the Community works with groups facing barriers to work such as homeless people through the Business Action on Homelessness campaign and ex-offenders through another campaign. Businesses can support the employability journey of these groups through getting involved in employee volunteering or through Ready for Work.

### **Property-led Regeneration**

Good planning and design are core to building healthy and sustainable communities and can play a pivotal role in community investment strategies, especially for the property and construction sectors. Developing tools and indicators for measuring the socio-economic impact of property developments throughout their life-cycle help the sector to tackle health inequalities.

## **Vulnerable Customers**

Companies can take a proactive approach to protecting vulnerable customers. Vulnerable customers include elderly people or those on low-incomes who are experiencing fuel poverty, those with addictive tendencies accessing alcohol and gambling products, or people with allergies who may need stronger information assurances on food.



## **Key statistics**

### **Life expectancy**

- A boy living in the deprived Glasgow suburb of Calton will live on average 28 years less than a boy born in nearby affluent Lenzie.<sup>vii</sup>
- The average life expectancy in London's wealthy Hampstead is 11 years longer than in nearby St Pancras, five tube stops away.<sup>viii</sup>
- Life expectancy in Sweden is over 80 years whilst in Lesotho it is 42 years.<sup>ix</sup>

### **Employment**

- Stress at work is associated with a 50% excess risk of coronary heart disease.<sup>x</sup>
- In the UK 2.6 million people are claiming incapacity benefits or the Employment and Support Allowance (ESA).<sup>xi</sup>
- People without qualifications are three times as likely not to receive any job related training.<sup>xii</sup>

### **Poor housing**

- Around 554,000 households in

England, or 1.5 million people, are living in officially overcrowded homes.<sup>xiii</sup>

- Almost 1 billion people worldwide live in slums.<sup>xiv</sup>

### **Healthcare**

- Upwards of 100 million people worldwide are pushed into poverty each year through catastrophic household health costs.<sup>xv</sup>
- The lifetime risk of maternal death is one in eight in Afghanistan; it is 1 in 17,400 in Sweden.<sup>xvi</sup>

### **Products and services**

- Every day over 13,500 people worldwide die due to tobacco.<sup>xvii</sup>
- 9 out of 10 children in the UK today could grow up with dangerous amounts of fat in their bodies.<sup>xviii</sup>

## **Commission on Social Determinants of Health**

The World Health Organisation (WHO) Commission on Social Determinants of Health (2005 – 2008) published its final report in August 2008. It set out the evidence for action on health inequalities and recommendations for governments, multilateral agencies, the private sector and civil society.

Business in the Community is working with the Department of Health in England to engage business in implementing these recommendations to tackle health inequalities. Read more about this work by clicking [here](#).

Also, based on the Commission's findings, a strategic review of health inequalities in England is taking place in 2009. As part of this, a number of policy dialogues have been held with academia, policy-makers, government, charities and the private sector. Business in the Community brought key member companies to the discussion, in this way helping to shape policy for the future.

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