Institute of Directors Health Comment

Introduction

Health in the workplace is an issue of continuing public interest.[i] However, for those people who permanently disappear from employment if they are unfortunate to suffer an accident or chronic ill health, the situation seems not so well known, or at least publicised. Across Europe, people with disabilities have twice the non-participation rate in the workforce as non-disabled people: the unemployment rate for people with severe illness or disability is about three times the level of those without such conditions.[ii]

In August 2003 the United Kingdom's employment levels as indicated by the Labour Force Survey reached the highest levels (27.9 million persons) since the data series started in 1984.[iii] According to the Government's Department for Work and Pensions (DWP), in February 2002 there were over 2.7 million people of working age (more than 7.5% of the total) receiving incapacity benefits (Incapacity Benefit, Income Support on grounds of incapacity or severe disablement, or Severe Disablement Allowance).[iv,v] That was over three times the equivalent total in 1979. Some 700 thousand people a year begin to receive Incapacity Benefit (or the related benefits) for the first time.

Almost all initially expect to go back to work in due course. Nevertheless, the DWP reckons that once somebody has been receiving incapacity benefit for a year, the average duration of claim is a further seven years.[iv] The chances of returning to regular employment tend to diminish with the length of absence from work. There has been no underlying health change to the UK's population to account for these figures. In fact, the UK's position is close to the average for the Organisation for Economic Co-operation and Development. The causes are many and varied, yet the fact is that the numbers add up to great losses: to individuals, to employers and to the nation.

Health itself is a topic of perennial interest. There is in the UK an extensive National Health Service (NHS), sometimes referred to as a "National Sickness Service". It tends, for all sorts of understandable reasons, to focus mainly on clinical treatments and restoration to normal good health, rather than concern itself with fitness for work or any other vocational components of 'normal health'. (We would argue that the ability to actively participate in occupational activity is an essential part of good health.) A recent article lamented the lack of an analogous national rehabilitation service.[vi]

Whatever the state of support, employers can influence matters, not just health services, either the NHS or the independent sector. Some employers as well as fulfilling their legal obligations go well beyond the legal minimum and actively involve themselves in health at work schemes. Absence from work is itself likely to contribute to poor health status. The Institute of Directors (IoD), whose members collectively lead organisations employing many millions of people, also has an interest in helping make things better.

Directors' practices and views on health and rehabilitation at work

A self-completion questionnaire was sent out with the June 2003 issue of *IoD Policy* and posted on the IoD's website. Two hundred and eighty five respondents took part. Twenty three percent (65 directors) were from organisations employing 250 or more people. Two percent (six respondents) came from the occupational health sector itself. Some of the findings are reported below.

Board and management issues

"Does your organisation formally monitor sickness absence at work?"

YES, FOR MANAGEMENT PURPOSES	YES, REPORTED TO BOARD	NO	DON'T KNOW
77%	44%	7%	0%

285 respondents (could indicate more than one action)

Over three quarters were reportedly using such information for management purposes. Reporting to the board tended to occur predominantly among bodies employing 250 or more people (66% of those had board reports on sickness absence, compared with under 37% in the smaller organisations). Out of the 265 directors who stated that sickness absence was formally monitored, it was said to be discussed by the board and management action taken from time to time by 58%.

"Does your organisation proactively manage absence from work?"

YES	NO	DON'T KNOW	NO REPLY
82%	16%	1%	1%

285 respondents

Proactive management of absence was more likely the larger the organisation, rising from 64% in those with under ten employees to almost all (98%) in those with 250 or over.

"Does your organisation hold 'return to work' interviews with employees who have been absent from work, reported as sick or injured?"

YES, WITH ALL EMPLOYEES	YES, WITH SOME EMPLOYEES	NO	DON'T KNOW	NO REPLY
35%	41%	23%	1%	1%

285 respondents: totals not 100% because of rounding

Once again, this was more likely to be the practice in larger organisations (40% in those with 50 or more employees) than in smaller bodies (27%).

Health services at work

Half of the directors stated that there was an occupational health service available for employees:-

"Does your organisation provide an occupational health service for its employees?"

YES, IN HOUSE	YES, BY AN EXTERNAL AGENCY	NO	DON'T KNOW	NO REPLY
12%	38%	50%	0%	0%

285 respondents

Twelve percent stated that they had an in-house occupational health service. A conference on workplace health, organised by the Engineering Employers' Federation heard that 15% of all UK employers had in-house occupational health teams, so the IoD findings are comparable with these.[vii] Half in the IoD survey either had an in-house service or referred to an outside agency. Unsurprisingly these tended to be more prevalent the larger the organisation: 32% of those with ten or fewer employees having an in-house service or using an outside agency, rising to 74% among those having 250 plus employees.

The Government has acknowledged that it can be harder for small and medium sized enterprises (SMEs) to support employees in this way, particularly as to rehabilitation.[viii] A study by the Health and Safety Executive (HSE) published in 2002 also showed poor take-up of occupational health services by SMEs.[ix] The HSE survey indicated that over 60% of SMEs had little or no access to occupational health or safety provision services.[x] This is consistent with the IoD survey results.

Getting back into work: rehabilitation

Directors were asked about assistance given by their organisation to help people back into work, for example by discussing possibilities with the employee or by assisting with healthcare:-

"Does your organisation actively assist employees who become seriously ill or injured back into their previous of alternative work over time?"

YES, TRIES TO HELP ALL EMPLOYEES WHERE PRACTICABLE	YES, TRIES TO HELP SOME WHERE PRACTICABLE	NO	DON'T KNOW	NO REPLY
63%	26%	8%	3%	0%

285 respondents

Where good practice exists it should be fostered and encouraged. If thereby they are keeping their workforce out of the doctor's surgery, and thereby saving the NHS money, why not give them some incentive to keep doing so via National Insurance relief, for example?

Other agencies' role in rehabilitation

The survey questionnaire asked for views on the role of general medical practitioners (GPs) or other parts of primary healthcare, and of specialist occupational health professionals, in helping people back into work. The results were as follows.

Those directors thinking that these groups generally do enough to advise and support people who become long-term ill or injured to try to get back to work

PROFESSIONALS	YES	NO	DON'T KNOW	NO REPLY
GPs or other primary healthcare	9%	68%	23%	-
Occupational health specialists	28%	30%	41%	1%

285 respondents

Specialist occupational health professionals were felt to be more involved, although neither group was felt to be doing enough. The occupational health specialists were viewed even more favourably among the directors of organisations employing 250 or more people (55% of these thought that they were generally doing enough in this respect). Perhaps this reflects a greater tendency to have contact with such professionals by larger employers.

The Doctor Patient Partnership, which includes the British Medical Association, has commented that using GP services to effectively manage short-term sickness wastes NHS resources as well as costing employers valuable time.[xi]

Cash or cure culture?

Apart from trades unions, the other main groups who get involved are lawyers and insurers. The IoD survey asked for views on those two groups.

Directors' views on these groups' tendency to focus when acting in cases of personal injury at work claims

PROFESSION-ALS	HEALTH IMPROVEMENT	CONSIDER HEALTH IMPROVEMENT AND FINANCIAL COMPENSATION EQUALLY	FINANCIAL COMPEN-SATION	NO REPLY
Lawyers	0%	4%	91%	6%
Insurers	4%	11%	76%	9%

285 respondents: total not necessarily 100% because of rounding

As both the Association of British Insurers and the Trades Union Congress have pointed out, there may be an inbuilt adversarial approach in cases of accidents at work. What may happen is that a claimant's solicitor tries to maximise the employee's compensation and the employer's insurer tries to defend against this. As an *IRS Employment Review* article[vi] put it, a "winner takes all" mentality exists among claimants, insurers and their representatives. Health improvement and occupational rehabilitation can easily get lost in all this.

When the IoD responded to the Government's review of employers' liability insurance in February 2003 the point was made that one aim of the system should be to demonstrate to employees that rehabilitation is in their better interest than ill health and cash.

Others agencies involved in health at work

NHS Plus was set up in November 2001 for the NHS to sell high quality occupational health services to SMEs. There are currently 114 NHS occupational health units taking part.[ix] Job Rehabilitation and Retention Pilots came into existence from April 2003, supported by both the DWP and Department of Health (DoH), assisted by the HSE, the Scottish Executive and the Welsh Assembly. The scheme operates under the title of 'WorkCare' in Birmingham, Sheffield and West Kent, 'RouteBack' in Teeside and Tyneside, and 'HealthyReturn' in Glasgow. Run by both public and private providers, these are intended to offer support to people who have just become ill, but are still on Statutory Sick Pay rather than having progressed to Incapacity Benefit. Alongside these new bodies is the independent occupational health sector. The survey questionnaire also sought views from those directors whose organisation had had any contact with any of these three types of potential outside assistance.

Directors' opinion on quality of the information and advice given by other bodies

AGENCY	GOOD	ADEQUATE	POOR	NO. OF RESPONDENTS
Job Retention and Rehabilitation Pilot	20%	40%	40%	16
NHS Plus	10%	60%	30%	32
Independent occupational health body	40%	50%	10%	84

Percentages rounded to nearest 10% because of generally small numbers who had made contact with the first two categories

Highest satisfaction was expressed with the independent occupational health bodies, but note that fewer respondents had heard of the new potential sources of outside assistance (especially the so far limited Job Retention and Rehabilitation Pilots), as compared with the independent sector. The DoH has been conducting its first review of NHS Plus, encompassing financial success: types of health intervention and customer profile is to be looked at in a second review.[ix] The DoH intends that the second review will examine whether NHS Plus has succeeded in its mission of providing support to small, rather than large employers.

Some IoD members' remarks about occupational rehabilitation:

"GPs are far too ready to sign people off sick."

"If employees are valued, and supported, they give greater loyalty in return."

"It is very difficult. Additional expense for a small employer."

"Should be more clarity on graduated return to work especially where GP recommends this but insurer will only consider full return or no return."

"We have had only two experiences of long term sickness and in both cases have tried to rehabilitate them back into work but felt this was left 100% to us as a company."

Source: IoD member survey, June-July 2003

Issues

- As stated on page 1, the problem of people disappearing permanently from work is a tragedy for individuals, employers and the UK. Given the fact that prolonged absence tends to lessen the likelihood of return to work, intervention earlier on seems to be the key.

- In June 2003 the Government announced some new measures on helping people back into employment.[v] They are to be piloted in seven areas from October 2003. These will be Derbyshire, Argyll, Bute, Inverclyde, Renfrewshire, Bridgend, and Rhondda Cynon Taff. Four more are planned to start in April 2004: in East Lancashire, Essex, Somerset, and Gateshead and South Tyneside. The measures include introducing specialist personal advisers to support people receiving incapacity benefits, having earlier discussions (at eight weeks) with claimants to identify rehabilitation needs, and bringing in more follow-up interviews for new claimants (five interviews at monthly intervals). It is also intended to simplify the access and referral procedures to Government-supported programmes designed to help people into work, for example to the New Deal for Disabled People. Changes are to be made to the financial incentives, such as introducing a new Return to Work Credit and assisting movement from incapacity benefits to Jobseeker's Allowance. These developments will need close scrutiny, and IoD members' views will be of importance, among others.

- As things stand – and as IoD members and others have commented – the lack of an effective NHS rehabilitation service means that the onus is currently on employers (and individuals, most likely) to deal with the issue of rehabilitation.[vii] The DWP wants to do more development work in this area. This includes publicising the help and support available to employers, putting forward a business case for better sickness management and occupational health provision, and introducing compulsory disability leave for employees to cope with disabilities and learn new skills.[v] Again, the proposals will need careful consideration. The HSE will be issuing a guide on good practice for employers, towards the end of 2003. On-line website-based training for GPs was introduced from June 2003, and it is intended to examine and review the implications for certification of GPs (and other healthcare professionals) before making any changes.

- The DWP also plans to set up employment rehabilitation programmes that will begin to help people with non-severe mental health, cardiovascular and musculoskeletal problems, which are collectively the most significant conditions.[v]

- Current interventions by both insurers and lawyers tend to focus on securing financial recompense rather than occupational rehabilitation. This is an area that will no doubt be further discussed by all parties concerned.

The IoD will continue to take an interest in both health at work and in rehabilitation of people back into work and, while continuing to support examples of current good employer practice, wish to encourage a multi-disciplinary approach to resolving this problem. All the stakeholders, workforce, employers, insurers and central and local government agencies (especially the NHS) have a role to play in ensuring that everyone who has the inclination and capacity to do so is actively encouraged to remain in or return to working life.

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References

[i] See for example, *Health and Wellbeing in the Workplace*, Director's Guide, Association of British Insurers, Department of Trade and Industry, Health and Safety Executive, Institute of Directors, Institution of Occupational Safety and Health, and NHS Plus, Director Publications, London, October 2002, and Geraint Day, *Health Matters in Business – Health at Work*, IoD Research Paper, August 1998 (see www.iod.com/policy/papers).

[ii] "Illness and inclusion", *Communiqué*, Issue 2, 2003, p 5, European Foundation for the Improvement of Living and Working Conditions.

[iii] "Labour Market Statistics Headlines – August 2003", National Statistics, London. See www.statistics.gov.uk/pdfdir/lmsbrief0803.pdf.

[iv] *Pathways to work: Helping people into employment*, Cm 5690, TSO (The Stationery Office), Norwich, November 2002.

[v] *Pathways to work: Helping people into employment The Government's response and action plan*, Cm 5830, TSO, June 2003.

[vi] "The glimmer of a national rehabilitation service", *IRS Employment Review* 774, 18 April 2003, pages 42-43.

[vii] Vanessa Bryson, "Why invest in workplace health?", *op.cit.* 780, pp 21-22.

[viii] *Pathways to work: Helping people into employment The Government's response and action plan*, Cm 5830, TSO, June 2003, p 12.

[ix] Dr Kit Harling (Head of NHS Plus), "NHS Plus: meeting the workplace needs of small business?", *IRS Employment Review* 778, 20 June 2003, pages 22-24.

[x] Andrew Crawford & Anthony Fincham, *op. cit.* 782, 15 August 2003, pp 22-24.

[xi] Leaflet, "Managing short-term sickness", Doctor Patient Partnership, 2001. The Partnership also includes several government bodies, professional associations, the Confederation of British Industry, Federation of Small Businesses and the Trades Union Congress. See www.managingabsence.org.uk.