After minor illnesses, mental health (stress, anxiety, depression or other serious mental health disorders) and musculoskeletal conditions (back, neck, leg or muscular pains and strains that affect movement) are the two largest causes of sickness absence in UK workplaces.

Estimates suggest that by 2030, 40% of the working age population will have a long-term musculoskeletal condition. Together, the forecasted total costs in absenteeism will reach £3.8 billion for businesses, equivalent to a 0.6% increase each year from 2020 and £84 billion in reduced productivity by 2025.

REPORT SUMMARY

Fulfilling and meaningful work is a source of wellbeing. Having a supportive employer who enhances employee wellbeing and invests in early clinical intervention, can make a real difference to someone grappling with a physical or mental health condition and their recovery. For business, a healthy, engaged workforce can boost performance and productivity.

New research from the John Lewis Partnership and Centre for Economics and Business Research (Cebr) shows the total cost of absenteeism in the UK due to mental health and musculoskeletal conditions is forecast to reach £3.8 billion in 2025. While substantial, this is dwarfed by an estimated £84 billion in reduced productivity by 2025.

By employers, health experts and government working together, we estimate businesses in the UK can save up to £1.7 billion by 2025 from the cost of absenteeism, just through early clinical intervention for musculoskeletal and mental health conditions. The cost of reduced productivity could also fall, saving £36.4 billion. This report doesn’t hold all the answers but is the start of a conversation on how to do that.

EMPLOYERS CAN HELP BY:

● Intervening early and offering free occupational health services which are high quality and clinically-backed.

● Promoting good management practices and work-life balance to lay the foundations for a healthy workplace.

● Creating an inclusive culture, tackling taboos and removing stigma to allow people to thrive so that they can seek help and receive the adjustments they need.

● Sharing best practice and evidence and promoting the business case for investing in the health of their people.

GOVERNMENT CAN HELP BY:

● Making occupational health services a non-taxable benefit in kind to incentivise employers to invest in early intervention.

● Focusing workplace health policy and legislation on early intervention as well as long-term sickness absence.

NHS figures show that over 200 different types of musculoskeletal conditions affect one in four of the adult population in the UK.

On average 5.9 sick days per employee are taken per year in the UK.

80% of UK organisations have observed ‘presenteeism’, when someone is not well but at work, in the past year.

30% of UK workers surveyed by YouGov said their employer doesn’t offer any health and wellbeing support or services.

Reduced productivity and absenteeism per year from mental health and musculoskeletal conditions at work by 2025.

WORKPLACE HEALTH IN NUMBERS

131.2m working days lost in the UK to all types of sickness in 2017.

28.2m days were for musculoskeletal health conditions.

15.0m days were for mental health conditions.

£2,605 per UK employee.

£87.8bn UK businesses.

One in six people in England report experiencing a common mental health problem, for example depression and anxiety in any given week.

Estimated annual costs.

Reduced productivity and absenteeism per year from mental health and musculoskeletal conditions at work by 2025.
There are three main ways that individuals can access health and wellbeing services – through the NHS, by self-paying through private healthcare or via their employer.

**THE BENEFITS OF GETTING HELP AND SUPPORT EARLY**

The physical and mental stresses and strains that life can throw at us - from bills, to pay, to accidental injury - don't magically disappear when we get to work. New research from YouGov and the John Lewis Partnership reveals 21% of UK workers disagree their employer would support them if they were unwell because of a physical health condition. This increases to 29% due to a mental health condition. In contrast, over four in five employees (83%) agreed they could recover quicker from a physical or mental health condition if they felt supported at work.

At the John Lewis Partnership, our focus on early clinical interventions means that three quarters of Partners are in work when starting psychological or physical therapy.

**TACKLING THE MENTAL HEALTH TABOO AT WORK**

Our research indicates that for a significant proportion of UK workers, mental health can still be a taboo subject at work. Workers are more likely to seek free and confidential support from their employer for musculoskeletal conditions (66%) than mental health conditions (52%). Nearly a third (29%) also disagree that they would be supported by their employer if they were unwell because of a mental health condition.

In 2016, NHS England estimated that £34 billion is spent each year on mental health in England. When considering the wider economic and social impacts, estimates from the NHS suggests poor mental health costs £105 billion a year in England.

**ROLE OF EMPLOYERS**

Employers can play a key role in creating a supportive workplace and investing in clinical health services for their employees. But there are important differences between the support that employers can provide to that of medical professionals. Businesses can provide support and training, but this support needs to be clinically-backed. The role of managers is to create a healthy, positive working culture and understand when and where to signpost to company resources and specialist support. Culture change takes time and is complex. This is not a quick fix solution, but a far more sustainable one.

**ROLE OF GOVERNMENT**

Government can use its convening power, policy and legislation to support employers to invest in the health and wellbeing of their employees. This should complement well-funded and well-resourced NHS services. This is supported by 77% of UK workers who think that offering tax breaks to businesses to allow them to invest more money in providing health and wellbeing services in the workplace is a good idea. However, the current tax system acts as a disincentive for employers to invest in this area.

**HOW EMPLOYER-PROVIDED HEALTH SERVICES ARE TAXED**

Currently, employer-provided occupational health services are a taxable benefit to the employee and subject to Income Tax and National Insurance. This can result in an effective tax rate of more than 40% for those employers that wish to settle the taxes on behalf of their employees. While employers can receive a reimbursement of up to £500, this is only available if an employee is out of work for more than 28 days as a result of injury or ill-health. There is another limited exemption for the costs of treatment provided where the injury or illness is a direct result of an employee’s work. We therefore want to see all occupational health services as a non-taxable benefit in kind to incentivise employers to invest in early intervention.

**ESTIMATED ANNUAL SAVINGS**

£1,131 per UK employee

£38.1bn UK businesses

from improved productivity and reduced absenteeism per year by having early clinical interventions for mental health and musculoskeletal conditions at work by 2025.
Helen is a Supermarket Assistant at Waitrose & Partners

I've had rheumatoid arthritis since I was 18. When I was applying for a job at the Partnership I noted this in my application so the company was aware of my health condition before I joined. Everyone has been very supportive from day one.

“Last year, my hip got worse and I needed some time off work. I was concerned and didn’t know who to ask for help. That’s when my team manager suggested I speak to the Partnership’s occupational health services and Partner Support. The support I’ve received has been brilliant. I had a hip replacement in October and have had no trouble getting time off and they arranged a phased return to work, which was really helpful. I was even offered the opportunity to change roles if I wish.

“I was really worried that I would be a burden to everyone at work, but through conversations with Partner Support and my line manager I felt supported and reassured that I’m not a burden and that I’m valuable to the Partnership.”

As an employee-owned business, we have a responsibility to look after our 83,900 Partners who work for the John Lewis Partnership. We’re committed to driving a commercially successful business which offers satisfying and meaningful jobs and supports our people to lead healthy, fulfilled lives. In fact, it’s one of the key performance objectives for our leaders, alongside our financial objectives.

We introduced free in-house health and medical services to all Partners in 1929, 19 years before the NHS was established. We continue to offer comprehensive health and wellbeing services today and we’re investing over £20 million a year to enable our Partners to feel well, enjoy life and have support when they need it. But we know there is more we can do, which is why we have a bold ambition to become Britain’s Healthiest Workplace by 2025 and boost our productivity, gaining over 1 million working days by 2025.

OUR STORIES

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Matt is a Section Manager at John Lewis & Partners

“I may come across as a confident person at work, but I have suffered with anxiety periodically for years since my father passed away. I hid it, because I thought people would judge me, that ‘real men’ don’t ask for help and that I was tough enough to ride it out.

“Recently, it had been overwhelming me and came to a tipping point when one morning I couldn’t get up and had to call in sick. When I came back to work I told my manager the truth and called Partner Support to get help. They told me about our health services and psychology support services and I now have regular counselling sessions and already feel better and more in control of my emotions. There was no waiting time and I was able to get help immediately and remain at work.

“I bottled things up for so long and it’s such a relief to be open about it. I’ve been amazed by the support and encouragement I’ve received from other Partners. We all need a little extra support from time to time, I’m so glad I finally asked for it.”

WHY HEALTH AND WELLBEING MATTERS TO US

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A NOTE ON DEFINITIONS

For the purposes of this report, we define the following terms by:

ABSENTEEISM This is when a worker is unable to come to work for repeated or extended periods of time.

EARLY INTERVENTION SERVICES Integrated in-house and third party occupational health services provided by qualified clinicians prior to 28 days of consecutive absence.

OCCUPATIONAL HEALTH SERVICES Keeping people well at work – physically and mentally, ensuring you are fit for work.

OUTPUT The amount of something produced in a company, industry or economy. This can vary depending on the business and industry.

MUSCULOSKELETAL CONDITIONS Back, neck, leg or muscular pains and strains that affect movement.

MENTAL HEALTH CONDITIONS Stress, anxiety, depression or other serious mental health disorders.

PRESENTEEISM The phenomenon which describes when workers are present at work but unable to perform at their maximum capacity due to illness or injury.

PRODUCTIVITY The amount of output produced per worker.