

Major new review of health inequalities lays roadmap for the role of business in levelling up

A major review of health inequities published today, 4th April, lays a roadmap for the role of industry in 'levelling up'. The UCL Institute of Health Equity in partnership with Legal & General have launched *The Business of Health Equity: The Marmot Review for Industry*, which sets out three ways that business can improve people's lives by reducing health inequality. These are:

1. Promote the health of employees through pay and benefits, hours and job security and conditions of work
2. Support the health of clients, customers and shareholders through products and services they provide and investments they make
3. Influence the health of individuals in the communities through investment influence, procurement, and supply networks.

The report finds that by improving the health of their employees, employers can reap the benefits of a more productive workforce. It has been estimated, for example, that 30% of the shortfall in productivity in the 'Northern Powerhouse' compared with the rest of England is due to ill health.

Legal & General and UCL IHE have entered into a four-year partnership to further the role of business in reducing inequalities in health in the UK and to establish a UK-wide health equity network. This report, setting out how business can drive improvements in health equity, is the one of the key outputs from the partnership.

This latest Marmot Review confirms businesses with a strong social purpose attract and retain the best employees, who increasingly seek more than just a pay-cheque. Within companies, the report points out, employees who feel emotionally connected and understand how they contribute personally have a stronger sense of wellbeing. Research shows having a sense of purpose in life is highlighted as a key feature for living to be over 100.

The Review goes further than workforce health because most of health outcomes are determined by the conditions in which we are born, live, grow, work and age – the Social Determinants of Health. The review therefore includes a framework for how businesses of all size can become a partner in creating healthier societies by reducing health inequities – considering their products and influences as well as employees' health.

Commenting, the internationally renowned epidemiologist Professor Michael Marmot, Director of UCL's Institute of Health Equity, said:

“The COVID-19 pandemic made clear a failing economy damages health. Until now the social determinants of health equity have been the responsibility of government and civil society. Business can be part of the problem of health inequalities. More positively, it can be part of the solution and has a key part to play in improving these social conditions that affect health and health equity: in conditions of work and employment; in goods and services; and in impact on the wider society and environment.

This report builds on the good practices of businesses that are showing the way. It also shows that it is in the interest of business to have regard to health equity as well as to ESG, environment, social and governance. More generally, it recognises that business can and should be responsible actors that can improve the quality of people lives, the environment, and as a result be forces for good in creating greater health equity.”

Sir Nigel Wilson, CEO, Legal & General, added: "Reducing health inequalities is a key part of levelling up: literally a matter of life and death. Business can be a force for good in society if we work to identify areas where we can sustainably and positively impact people’s lives. That is the aim of this review and our partnership; for experts such as Sir Michael Marmot to help us and other businesses deliver better health outcomes.

“Businesses and ESG (Environment, Social and Governance) investors are proving key to reducing carbon emissions. ESG’s “E” is working, but the “S” is further behind - the impact of corporate activity on population health and its associated costs is not currently adequately addressed. Post-COVID, there is a strong case to consider health and health inequality as crucial to the “S” of ESG - explicitly calling out health within a new “ESHG” framework.”

Why business has a role in reducing health inequities:

- Ill health is responsible for 30% of the shortfall in productivity in the ‘Northern Powerhouse’ compared with the rest of England
- For no good biological reason life expectancy stalled in 2019, then fell for men and women by approx. a whole year (the level of a decade ago) due to the COVID-19 pandemic (from 79.9 and 83.6yrs to 78.6 and 82.6yrs respectively)
- Excessive working hours are linked to premature deaths from stroke and heart disease – approximately 1:8 workers do more than 48hrs/week in the UK, rising to 1:6 in London
- The food industry spends 27 times more on advertising than the UK government budgets on promoting healthy eating, but obesity is a major social determinant of a shorter healthy life expectancy and contributed towards many deaths during Covid
- The statutory minimum wage is often insufficient to live a healthy life – most people in the UK in poverty are in paid work
- Pay for sickness absence is essential to physical and mental health yet statutory sick pay is one of the lowest in the EU, and many low earners are not even eligible
- Pockets of good work, siloed in ethics, corporate social responsibility or Environment, Social and Governance (ESG) teams, do not translate into healthy business practices
- Unhealthy environments cause a quarter of all deaths globally – polluting industrial sites or transport often move to disadvantaged neighbourhoods, exacerbating health inequities.

ROADMAP FOR BUSINESS TO REDUCE HEALTH INEQUITIES

1. Recommendations for promoting good health for employees:

a) Provide sufficient pay and in-work benefits

Ensure pay for all employees, contractors and workers throughout supply networks constitutes a minimum income for healthy living. Companies should make attempts to reduce disparities in pay across their organisation. In-work benefits should be comprehensive and larger companies should assist SMEs to achieve this.

b) Ensure healthy working conditions

As well as ensuring safe working conditions, businesses must provide good quality employment, job security, flexible working practices and employee representation. Recruitment should ensure opportunities for underrepresented communities, and opportunities for training, progression and personal development should be offered to all staff.

c) Ensure good physical and mental health

Employers should work with their entire workforce to support good physical and mental health. This includes providing advice and support for key drivers of health such as housing and financial management as well as healthy living and the maintenance of good mental health.

2. Recommendations for supporting good health for clients and customers:

a) Ensure consumer products support good health

Businesses have a key role to play in supplying consumer products, including affordable and nutritious food, that enable people to live a healthy lifestyle. They must also act to limit the harm done by products that damage health and the social determinants of health. Financial products and services should be designed to expand access and support good health.

b) Ensure housing, infrastructure and regeneration schemes are healthy and equitable

These should support good health in their design and construction, particularly for lower-income communities, and adhere to sustainability principles. Health equity impact assessments must be used and responded to.

c) Invest for health equity

Businesses must give priority and visibility to the impact of their investments on health and the social determinants. Potential investors should assess the environmental, social, health and governance (ESHG) impact of companies when making investment decisions and encourage and incentivise health-supporting action where they do invest.

3. Recommendations for influencing good health in the wider community:

a) Operate sustainably to protect the natural environment, including through action to protect biodiversity and reduce air, soil and water pollution; and by tackling climate change through reducing carbon emissions

Businesses, working with local and national planning systems, must ensure that disadvantaged neighbourhoods and communities do not bear the brunt of polluting industrial activity or climate change impacts.

b) Work in partnership with local communities

Businesses should partner with VCFSE organisations, the public sector, including healthcare providers, and local communities to identify areas of concern and inequality, and to plan and provide support. Businesses should act as anchor institutions for local communities, and use social value procurement to ensure spending pays health dividends.

c) Advocate for health equity

Companies can advocate nationally and locally for health equity and for policies that act on the social determinants of health, and ensure taxation arrangements are fair and support a public realm that can undertake these policies.

The Business of Health Equity: The Marmot Review for Industry is the latest in a series of reviews of health inequities by the UCL Institute of Health Equity. The IHE is led by internationally renowned epidemiologist Professor Sir Michael Marmot. It was established in 2011, following the publication of the landmark 2010 report [Fair Society, Healthy Lives](#), known as the Marmot Review.

That report set out how social, economic and environmental conditions – or ‘social determinants’ – shape health to a much greater extent than healthcare does, and how inequalities in these social determinants lead to widespread inequalities in health. The Review made a series of recommendations to government to take action on the social determinants of health.

In February 2020, just before the COVID-19 pandemic, IHE published [Health Equity in England: The Marmot Review 10 Years On](#). The health picture that it presented was not encouraging, suggesting that policies of austerity had damaged health. In 2020 IHE published [Build Back Fairer](#), a programme for action in response to the inequalities exposed and amplified by COVID-19.

Since 2010, IHE has worked with national and local governments, the NHS, public health bodies, the voluntary sector and communities to embed effective approaches to reducing health inequalities. The Institute also works globally and has led major reviews across the world, influenced action by governments and international organisations, and led the social determinants and health equity movement.

LEGAL & GENERAL

Legal & General has a strong and longstanding social purpose, ‘to improve the lives of its customers, build a better society for the long term and create value for its shareholders ... , to use its long-term assets in an economically and socially useful way to benefit everyone in its communities’ . Legal & General describes its ethos as ‘inclusive capitalism’ – a recognition that the benefits of economic growth must be shared by all. This means wealth, but also health.

Legal & General’s impact comes not only from how the business is run, but also how the group invests its £95 billion of proprietary assets, and how it uses its influence as an asset manager, with £1.4 trillion in assets under management. Beyond those companies in which Legal & General holds shares, or has influence with shareholders, there is a network of suppliers and contractors, at a local level, nationally and internationally. Legal & General has an influence on the entire business ecosystem as a leader, and with government. Legal & General’s move to make health equity a central concern is a new and welcome contribution that could have highly significant, positive and wide-reaching impacts on health.

Recognising the important role of university and business partnerships in driving forward health innovations, Legal & General is a founding member of both the Longevity Science Panel and The Trinity Challenge; a coalition, including the University of Cambridge and leading academics, seeking to support prevention around future health emergencies. Meanwhile, its long-term partnership with Newcastle Council and Newcastle University continues to deliver at pace, undertaking research into improving ageing health span with The National Centre for Ageing. Legal & General has also formed long-term multi-billion pound partnerships with the Universities of Oxford and Manchester to develop innovation districts which will help incubate spin-out businesses such as those which lead the way in developing the COVID-19 vaccinations. Legal & General also established the Advanced Care Research Centre (“ACRC) with the University of Edinburgh and was the initial funder for Care Sourcer, the UK’s first comparison and matching site for elderly care, which launched a free Employee Assistance Programme (EAP) to all UK care provider employees.

The COVID-19 pandemic has motivated Legal & General to further strengthen its role in reducing health inequalities through action on the social determinants of health by partnering with IHE. Legal & General is committed to levelling up disadvantaged areas of the UK and ensuring that the country builds back fairer, as well as better.

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