



REPORT OF THE SERVICE DIRECTOR HR AND CUSTOMER SERVICE

EMPLOYEE HEALTH AND WELLBEING AND SICKNESS ABSENCE PERFORMANCE UPDATE

Purpose of the Report

1. To inform Members about Nottinghamshire County Council's current performance in relation to levels of sickness absence across its wider workforce **as at 31st December 2014** and on the current and planned measures being taken to improve the health and wellbeing of its direct employees.

Information and Advice

Background

2. Sickness absence data, reasons reporting and associated trend analysis is drawn down at regular quarterly intervals from the corporate Business Management System (BMS). This information is used to inform the development of measures to ensure that the ongoing trend of improvement in attendance is maintained, and to identify appropriate responses to further improve the health and wellbeing of the Council's workforce.
3. Nottinghamshire County Council continues to aspire to be an exemplar of good employment practice. The role of the Council's Health and Wellbeing Board in promoting and improving health and wellbeing in the workplace to other local employers, extends to being a champion of good practice in employee wellbeing and engagement in its own right.
4. Organisational transformation and the associated uncertainty arising makes it essential to retain a focus on employee wellbeing and resilience in order to sustain progress.
5. The aim is to provide a psychologically healthy working environment which minimises the potential for the development of a culture of "presenteeism" by continuing to develop management capability and engaging the Council's workforce to proactively build a culture of positive mental and physical wellbeing.
6. The focus of this strategy is on:
 - Promoting good health and healthy lifestyle choices
 - Putting preventative workplace measures in place to avoid exposing employees to ill health wherever possible
 - Early engagement to return to work and rehabilitate those who are absent due to ill health.

7. The actions being taken or planned to deliver this strategy are set out in the Council's Employee Health and Wellbeing Action Plan, an updated version of which will be presented to this Committee at a future meeting.

Current performance

8. The overall trend remains one of incremental improvement, with validated data for the third quarter of 2014/15 that is as at 31st December 2014, indicating that the level of days lost to sickness, including NCC controlled schools, continues to fall.
9. A sustainable performance target for 2014/15, in line with the highest performance quartile of the national Chartered Institute of Public Finance and Accountancy (CIPFA) national benchmarking regime for local government, was agreed and set at **7.40 days on average per employee per year by 1st April 2015.**
10. Average overall reported sickness levels stood at **6.85 days** as at 31st December 2014, a further decrease of **0.21 days** on the previous quarter of the year, this is currently well within the in-year target.
11. The Council's performance is most influenced and impacted on by the performance of its largest direct services that is Adult Social Care and Health and Public Protection, Children, Families and Cultural Services and the frontline services in Environment and Resources.
12. The transfer out of some functions within the authority into alternative service delivery models is likely to continue to impact on the relative overall performance outcome.
13. Absence remains highest in the ASCHPP department where there has been a steady increase in reported absence in recent quarters; however there has been an improvement of **0.24 days** on the previous quarter and this now stands at **10.96 days.**
14. Targeted HR support and advice is available to all managers to enable them to manage and reduce sickness absence amongst their staff.
15. The next update report to Personnel Committee will set out the year end out turn for 2014/15, that is as at 31st March 2015.
16. The Council's sickness absence reporting continues to include schools under County Council control (excluding Academies which are independent employers). Continuing to include the data for schools enables the Council to make consistent year on year comparison to identify performance trends and to benchmark this authority's performance against other local authorities using national benchmarking data, including CIPFA, whose definitions include schools.
17. The level of reported absence in schools is currently 5.85 days lost on average per employee.

Benchmarking

18. The Council's current level of performance of **6.85 days** sickness absence on average per employee per annum continues to compare favourably against the latest available data from all relevant national benchmark organisations:

- The Chartered Institute of Personnel and Development (CIPD), reports absence levels across the whole public sector average **7.90 days** per employee per annum.
- CIPFA data indicates average performance against all the County Councils in the benchmarking group is **8.80 days**, whilst across all local authorities who are members of the benchmarking network, it is **9.50 days**.
- The Local Government Association (LGA) also report the local government average sickness FTE employee per annum as **8.80 days** for all Councils.

19. All available benchmarking data demonstrates that NCC's overall performance continues to be considerably better than the national average for the local government sector the wider public sector. If sustained, this should ensure that the Council's revised performance target of **7.40 days** is met by year end 2014/15.

Reasons for absence

20. The 14 categories adopted by the Council for managers to attribute a reason for each occurrence of employee sickness absence when recording the absence on the Business Management System reflect those used by the LGA. This allows for comparison with other local authorities and national performance benchmarking.

21. The LGA Workforce Survey reports the main causes of reported sickness absence across all local authorities as stress at **21.9%** and muscular skeletal injuries at **15.00%**, The Council's current performance is better than the national average against these categories.

22. Reasons for absence in NCC as at 31st December 2014 are set out in **appendix B** of this report:

- **Stress:**

23. Relatively high levels of stress related absence across the local authority sector reflect the operating environment of budget reductions and organisational change which have resulted in post reductions and increased demands on those who remain in the service. This also raises the potential for "presenteeism" to occur which needs to be identified and managed at source.

24. Despite an ongoing improvement from a position when stress and stress related illness constituted as much as **21%** of all recorded absence, it remains the most prevalent cause of sickness absence in the County Council. Reported absence attributed to stress currently continues to steadily decline, standing at **17.56%** of all reported absence as indicated in **appendix B** compared with **17.84%** at the previous quarter.

25. Feedback from the Council's 2013 Employee Survey indicated that support to employees to deal with pressure at work and to strike an effective work-life balance are areas for

improvement, in particular helping individuals to handle the impact of stress, anxiety and depression more effectively.

26. It is imperative that this trend of improvement is maintained and that levels of stress and stress related illness continue to decline.
27. HR Business Partners continue to work with managers in hot spot areas to identify causes and solutions which will include promoting the use of the Council's on-line Well Worker stress audit tool to engage with staff to identify actual and potential stressors and action plan accordingly. Well Worker will be relaunched in April 2015.
28. HR are actively working with the trade unions through the Joint Attendance Management and Wellbeing Steering Group (JWAMSG), a sub group of the Central Joint Consultation and Negotiating Panel (CJCNP), to focus on supporting staff through change. This work has a particular focus on mental health awareness. Specific guidance for managers on supporting staff with mental illness to remain in and perform well at work and developing learning associated materials are under on-going development.

- **Other reasons:**

29. The next most prevalent reason for absence across the Council remains surgical operations and post-operative recovery which has risen to **17.36% from 7.32%** at the previous quarter, followed by absence reported against "Other" reasons remaining relatively constant at **15.61%**.
30. Within this Council absence attributable to muscular skeletal problems now stands at **12.49%**, a further increase of **0.28 percentage points** on the previous quarter. This may reflect the comparatively high proportion of physically demanding frontline services, where this type of health problem can be work related, which are currently provided in-house compared to the alternative service models in place in many other authorities.
31. The percentage of illness not attributed by managers at the point of recording to any specific reason in the reporting categories, having fallen, currently remains relatively constant at **1.12%** but has improved by **0.07 percentage points** on the previous quarter. This improving trend follows a recent reminder to managers on the NCC intranet about the importance of attributing every absence against one of the reasons reporting categories.

Long term absence:

32. A recent modification to the BMS Business Intelligence (BI) report to ensure the assignment of absences to the correct category also re-aligned the proportions of short term and long term absence identified.
33. As set out in **appendix C** of this report, for the third quarter of the year data indicates that **61. 59%** of all reported absence is long term, that is of more than 4 weeks continuous duration.

Next Steps

34. As transformation embeds it remains critical that organisational and individual resilience is maximised and support is available to its employees to personally cope with change and perform their best at work. The Council remains committed to enabling all NCC managers to monitor workloads and support their staff through change and to offer support on an individual basis.
35. Supporting the Council to be a Healthy Organisation will therefore be a key priority of the Council's new Workforce Strategy which is being developed to support the delivery of the Workforce Development Programme of the Council's cross cutting transformation portfolio.
36. Working with the trade unions through the Joint Redundancy and Redeployment Working Group (JRRWG), a sub group of the CJCNP, a plan has been developed which identifies a series of actions to effectively address the actual and potential impact of ongoing and significant change on employee wellbeing.
37. These activities will be reflected in the wider Employee Health and Wellbeing Action Plan for 2015-18 which has been developed with input from Public Health and the Trade Unions through the JWAMSG.
38. The action plan has an emphasis on the promotion of good mental health and the effective management and support of employees experiencing mental health issues.
39. A final draft of the Employee Health and Wellbeing Action Plan will be considered by the JWAMSG at its meeting on 11th March 2015 following which the action plan will be presented to the following meeting of this Committee on 11th May 2015.
40. It is anticipated that, by building on the wellbeing interventions and initiatives successfully delivered to date, which have been recognised through the Council's achievement of Gold level accreditation against the Wellbeing at Work Workplace Health Award, the Council will be amongst the first local employers to achieve the newly introduced Platinum level accreditation by April 2016.

Other Options Considered

41. The Council's approach to employee health and wellbeing is the subject of ongoing discussions with trade's union colleagues through the Joint Wellbeing and Attendance Management Steering Group which considers a wide range of potential options for continued improvement.

Reasons for Recommendations

42. The recommendations will enable Elected Members to review the current levels of performance and direction of travel set out in this report and the actions that are in place to maintain a level of performance, which meets the Council's identified targets and supports continuous improvement in levels of attendance across the Council. Regular update reports will be submitted on a quarterly basis.

Statutory and Policy Implications

43. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Human Resources Implications

44. These are set out in the body of this report. The trades unions are engaged in the further development of employee health and wellbeing initiatives through the Joint Wellbeing and Attendance Management Steering Group.

Equalities Implications

45. The Council's Attendance Management policy and procedure applies equally to all directly employed staff. There is a separate policy which is applicable to all maintained schools and is recommended to all schools with different governance arrangements. These procedures contain guidance which ensures that appropriate management of the sickness absence of employees with a disability complies with the requirements of the Equality Act 2010.

RECOMMENDATIONS

It is recommended that Elected Members note:

1. The current level of performance in respect of sickness absence levels and on-going trend of continuous improvement.
2. The actions being taken to improve employee wellbeing.

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For any enquiries about this report please contact:

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Constitutional Comments (LMcC 19/02/2015)

46. The report is for noting only.

Financial Comments (NDR 19/02/2015)

47. There are no financial implications arising directly from this report.

Human Resources Comments (04/02/15)

48. The human resources implications are implicit in the body of the report.

Background Papers

None

Electoral Division(s) and Member(s) Affected

All