

REPORT OF THE SERVICE DIRECTOR HR AND CUSTOMER SERVICE**EMPLOYEE HEALTH AND WELLBEING AND SICKNESS ABSENCE
PERFORMANCE UPDATE AS AT 31ST MARCH 2015****Purpose of the Report**

1. To inform Members about both Nottinghamshire County Council's current performance in relation to levels of sickness absence across its wider workforce and the current and planned measures being taken to improve the health and wellbeing of its direct employees, as set out in the Employee Health and Wellbeing Action Plan for 2015/18.

Information and Advice**Background**

2. 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.
3. The Council's managers are critical to the success of this approach. Information on process, procedure and effective management of absence are available through a range of eLearning and web based materials, complemented by workshops to guide managers through more complex absence management issues. Targeted HR support and advice is also available to all managers to enable them to manage and reduce sickness absence in their service areas.
4. Sickness absence data, reasons reporting and associated trend analysis is drawn down at regular quarterly intervals from the data input by line managers into the corporate Business Management System (BMS). This report represents the position at year end out turn for 2014/15, that is **as at 31st March 2015**.
5. This information is used to inform the development of measures to ensure that, working with and through managers, the ongoing trend of improvement in attendance is maintained, and to identify additional corporate responses to further improve the health and wellbeing of the Council's workforce.
6. The aim remains 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.

7. 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.

8. 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 is attached as **Appendix D** of this report.

Benchmarking

9. The Council aspires for its performance relating to the number of days absence attributable to sickness per employee per annum to be better than the national average for comparable organisations.

10. The Chartered Institute of Personnel and Development (CIPD), latest report identifies absence levels across the whole public sector as an average **8.70 days** per employee per annum.

11. The Local Government Association (LGA) continues to report that across the whole Local Government sector the average sickness per FTE employee per annum is **8.80 days**.

12. The latest available data from all relevant national benchmark organisations for comparable Shire authorities is summarised as follows:

- The national Chartered Institute of Public Finance and Accountancy (CIPFA) data indicates average performance against all the County Councils in the benchmarking group is now **8.50 days**
- The LGA also report the average sickness per FTE employee per annum for upper tier councils only as **9.00 days**.

Current performance

13. NCC's overall performance continues to be considerably better than the national average for the local government sector the wider public sector and the overall trend remains one of incremental improvement. Organisational transformation and the associated uncertainty arising makes it essential to retain a focus on employee wellbeing and resilience in order to sustain this progress.

14. As set out in **Appendix A** of this report, average overall reported sickness levels stood at **6.68 days** as at 31st March 2015, an improvement by a further decrease of **0.17 days** on the previous quarter of the year.

15. A sustainable performance target for 2014/15, in line with the highest performance quartile of 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. The year-end data evidences that this in year target was achieved and exceeded.

16. The Council now needs to identify and agree a revised target for 2015/16 that is stretching whilst also being both realistic and sustainable if reporting levels increase. Based on current performance, it is proposed that this is set at **7.00 days** per employee per annum by 1st April 2016.
17. The Council's performance is most influenced and impacted on by the performance of its largest direct services. The transfer out of some substantial functions within the authority into alternative service delivery models is likely to impact on the relative overall performance outcome.
18. Absence remains consistently highest in the ASCHPP department where there has been an increase of **0.03 days** on the previous quarter and this now stands at **10.99 days**.
19. The Council's sickness absence reporting continues to include schools under County Council control (excluding Academies which are independent employers) in order to enable 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.
20. The level of reported absence in schools is currently **5.31 days** lost on average per employee.

Reasons for absence:

21. 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.
22. Reasons for absence in NCC as at 31st March 2015 are set out in **Appendix B** of this report:
 - **Stress:**
23. Relatively high levels of stress related absence across the wider 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. The LGA report the most common overall cause of all absence across the local government sector as stress, depression, anxiety, mental health and fatigue and that this comprises **21.9%** of all absence across the sector.
25. Despite an ongoing improvement from a position when stress and stress related illness constituted as much as **21%** of all recorded absence, it is currently the most prevalent cause of sickness absence in the County Council. Reported absence attributed to stress and related conditions currently stand at **17.78%** of all reported absence as indicated in **Appendix B** compared with **17.56%** at the previous quarter.

26. 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.
27. It is imperative that this trend of improvement is maintained and that levels of stress and stress related illness continue to decline. This priority is reflected in the Council's Employee Health and Wellbeing Action Plan for 2015-18.
28. The Council already has a range of existing provision aimed at reducing work related stress and maintaining employees at work including:
- An established and well received employee Counselling service, delivered through an external provider "Care First"
 - The inclusion of stress management in absence management learning resources for managers
 - A wide range of flexible working provisions to help employees manage their work/life balance
 - An on-line stress audit tool, "Well Worker" which enables managers to engage with their staff to identify actual and potential stressors and action plan accordingly.
29. In addition HR Business Partners work with managers in stress hot spot areas to identify causes and solutions which might include any of the above.
30. HR are also actively working with the trade unions through the Joint Wellbeing and Attendance Management Steering Group (JWAMSG), a sub group of the Central Joint Consultation and Negotiating Panel (CJCNP), to focus on supporting staff through change.
31. 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 which are under on-going development.
- **Other reasons:**
32. The next most prevalent reason for absence across the Council remains surgical operations and post-operative recovery, although this has fallen to **16.95%** from **17.36%** at the previous quarter.
33. It is important for the purposes of accurate monitoring that, wherever possible managers attribute the reason for absence against one of the 14 categories in the BMS system. Management, reporting against the category of "Other" reasons has improved by **0.40** percentage points from **15.61%** to **15.21%** since 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.
34. Within this Council absence attributable to muscular skeletal problems now stands at **12.24%**, a decrease of **0.25** on the previous quarter. This level currently reflects 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.

Long term absence:

35. The most recent LGA Workforce Survey reports the main causes of reported short term absence across all local authorities are minor illnesses, such as colds, flu, stomach upsets and headaches.
36. Acute medical conditions, primarily stress, mental ill–health and musculoskeletal injuries are most commonly responsible for long term absence, that is of more than 4 weeks continuous duration, the former being most prevalent in non-manual occupations and the latter in manual.
37. It is recognised nationally, backed up by research from the Health and Safety Executive (HSE) that the longer an individual has been absent from work due to illness the less likely it is that a successful return can be facilitated.
38. The CPID research confirms that across the public sector, long term absence of 4 weeks duration or more accounts for just over **50%** of all absence.
39. As set out in **Appendix C** of this report, for the final quarter of the year data indicates that overall **58.97%** of all reported absence across the Council is long term. Whilst this is an improvement from **61.59 %** at the previous quarter, the Council has an in year target of reducing long term absence to **50%** which has not been met and this will be carried forward to the next financial year.
40. In order to achieve this target a priority moving forward will be for HR to support managers to respond to long term absence in a timely and proactive manner and work with the individual employee concerned to achieve an effective rehabilitation back into work through the use of reasonable adjustments, including phased return.

Employee Health and Wellbeing Action Plan 2015/18:

41. As the Council embarks on the next phase of its Redefining Your Council transformation programme, it is vital 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.
42. 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.
43. 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.
44. An updated Employee Health and Wellbeing Action Plan for 2015-18 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.
45. The key priorities of the plan are themed around:

- Supporting managers and individual employees to maintain positive mental wellbeing through organisational change
- Promoting effective workload management and prioritisation to reduce stress and the potential for “presenteeism”
- Raising the awareness of managers and employees about mental ill health and related issues in the workplace
- Monitoring the Council’s progress and evidencing achievement by working towards accreditation against the Wellbeing at Work Platinum level award
- Continuing to further develop and promote targeted health and wellbeing activities in the workplace

46. The specific activities reflected in the plan have been developed with input from both Public Health and the Trade Unions through the Joint Wellbeing and Attendance Management Steering Group.

47. The revised action plan has an emphasis on the promotion of good mental health and the effective management and support of employees experiencing mental health issues and is attached as **Appendix D** to this report.

Other Options Considered

48. 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

49. 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

50. 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

51. 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

52. 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:

1. Note the current level of performance in respect of sickness absence levels and the on-going trend of continuous improvement
2. Agree to a revised target for 2015/16 of 7.00 days sickness on average per employee per year by 1st April 2016
3. Note the actions being taken to improve employee wellbeing as set out in the latest draft of the Council's Employee Health and Wellbeing Action Plan and the achievements to date.

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Constitutional Comments (SLB 09/04/15)

53. Personnel Committee is the appropriate body to consider the content of this report.

Financial Comments (SES 10/04/15)

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

Human Resources Comments (CLG 08/04/15)

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

Background Papers

Trade union side comments.

Electoral Division(s) and Member(s) Affected

All