

**REPORT OF THE SERVICE DIRECTOR – CUSTOMERS AND HUMAN
RESOURCES****EMPLOYEE HEALTH AND WELLBEING AND SICKNESS ABSENCE
PERFORMANCE UPDATE AS AT 31st MARCH 2016****Purpose of the Report**

1. This report sets out updated information in relation to levels of sickness absence across the Nottinghamshire County Council workforce and highlights the current actions being taken to further improve the health and wellbeing of its direct employees.

Background

2. Sickness absence data, reasons reporting and associated trend analysis is drawn down and reported at regular intervals from the data input by line managers into the corporate Business Management System (BMS). This report covers the quarter **1st January 2016 to 31st March 2016**.
3. As reported to this Committee on 10th March 2016, the Council's new interim structure implemented from 1st September 2016 will continue to impact on the Council's short term ability to report accurately on comparative trend information at departmental and divisional level until sufficient time has elapsed to look back over a full rolling 12 month period (see **appendix A**).
4. **Appendix B** illustrates the reasons for absence across the Council as at 31st March 2016 and **appendix C** sets out the distribution of short and long term absence.
5. This information informs the development of the Council's Employee Health and Wellbeing Action Plan (**appendix D**) which identifies a series of actions to effectively address the actual and potential impact of ongoing and significant organisational change on employee wellbeing.
6. Regular half yearly updates are provided to Members on the development and implementation of the plan and this report sets out the status of ongoing and completed actions over the period September 2015 to April 2016. The next update will indicate progress against current actions as at the end of September 2016.

Overall Performance and Trends

7. The in-year performance target for 2015/16 was set at **7.00 days** per employee per annum. This reflected the need for a target that was stretching whilst also being both realistic and sustainable and took into account that the Council's performance in

relation to staff absence is most influenced and impacted on by the performance of its largest direct services, some with a significant frontline workforce.

8. The data set out in the appendices to this report illustrates that reported sickness levels as at 31st March 2016 stood at **6.86 days** an increase of **0.26 days** from **6.60 days** at the previous quarter. The in-year target has therefore been achieved by a margin of **0.14 days**.
9. This level of absence remains significantly lower than the local government or wider public sector average (**see benchmarking section below**). A detailed breakdown by department and service area is contained in **appendix A**.
10. The inclusion of reported absence in schools for benchmarking purposes is currently **5.45 days** on average per employee, an increase of **0.16 days** from **5.29 days** in the previous quarter, this has a significant impact on overall performance and the achievement of the in-year target.
11. Absence levels remain highest in ASCHPP at **10.97 days** and Children's, Families and Cultural Services at 8.48 days. As reported at the previous meeting of this committee as part of their overall work with service managers to address people management issues, HR Business Partners use data to provide advice and support to managers to help them tackle individual absence issues and service "hotspots" using a targeted "surgery" model.
12. A range of learning materials on preventing and managing sickness absence is available to managers as part of a suite of eLearning and follow up class room based learning on the practical application of all people policies and procedures. HR Business partners are able to access information about which managers have completed this learning as part of their interventions in service areas as described in paragraph 11 above.
13. The transfer out of a significant number of staff to Inspire, the joint ventures for Highways (Via) and Property along with other planned service reductions during the course of 2016/2017 will reduce the Councils overall headcount, impacting on the basis for the sickness absence performance indicator (this is calculated at the end of each quarter by looking at the total number of hours and days lost to sickness absence to all employees over the preceding 12 months and comparing this with the average Full Time Equivalent (fte) number of staff who were employed during the same period). The performance outcome may therefore appear as fluctuations in the reported figure until the average trend can be re-established with a more stable benchmark.
14. This will need to be taken into due consideration when setting a new target for the next financial year. It is therefore proposed that the target for 2016/17 remains at **7.00 days** average per employee per annum in order to ensure achievability and allow ongoing comparison of performance whilst these changes impact. This would be reviewed when setting the target for 2017/18.

Benchmarking

15. The Council's performance relating to the number of days absence attributable to sickness per employee per annum continues to be better than the national average for the local government sector:
16. The latest available comparable national benchmarking data indicates that the Council's overall performance continues to be considerably better than the national average for the local government sector and for the wider public sector, an update is set out below:
17. Average performance against all the comparable County Councils in the Chartered Institute of Public Finance and Accountancy (CIPFA), benchmarking group is currently **8.40 days** and **9.40 days** for all Councils (source: CIPFA HR Value For Money Indicators 2014/15 as at 31st March 2015).
18. Across the whole Local Government sector the most recently available figure is **8.40 days as at 31st March 2014** (source: Local Government Association (LGA) - Local Government Workforce Survey 2013/14). ***NB: more current benchmarking data for the year end 2015 is still awaited from the LGA, it is anticipated that this will be available to provide updated information in the next report to this Committee.*** The average across the wider Public Sector at 31st March 2015 was **8.70 days** per employee per annum.
19. On average across employers in both the private and the public sector sickness levels have increased from **6.60 days** in 2014 to **6.90 days** per employee per annum in 2015 (source: Chartered Institute of Personnel and Development (CIPD) annual Absence Management survey 2015, all participating employers).
20. The Council's sickness absence reporting continues to include schools under County Council control (excluding Academies which are independent employers), this 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 the national benchmarking data set out above, including CIPFA, whose definitions include schools.

Reasons for absence:

21. The 14 categories currently 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 Local Government Association (LGA). This allows for direct comparison with other local authorities and national performance benchmarking.
22. Despite the regular reissue of management guidance, there remains a need to reduce the percentage of managers recording attributable absence against the "Other" category which, although improved to **14.33%** at the previous quarter, this has increased as at 31st March 2016 to **15.19%**.

23. Based on information gathered through a specific intervention with Public Health managers, enabling managers to record terminal illness, including that relating to cancer, under an additional separate reporting category may have a positive impact on this. It is anticipated that the necessary systems development will be completed by the end of quarter 1 2016/17 and the revised reasons for absence data can then be reported to this committee.
24. Absence attributable to cold and flu has not made a disproportionate impact over the two quarters of 2015/16 when winter flu outbreaks can have an effect. Absence reported as due to colds or flu comprised **9.01%** of all absence as at 31st March 2016, compared to **9.32%** in the previous quarter, at the same time last year, 31st March 2015, this stood at **10.99%**.
- **Stress:**
25. The most common overall cause of all absence across the local government sector is stress, depression, anxiety, mental health and fatigue, the most recent available LGA data indicates that this comprises of **22.80%** of all absence across the sector. This reflects 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.
26. Stress remains the most prevalent cause of sickness absence in the County Council. Reported absence attributed to stress and related conditions has decreased from the previous quarter and currently stands at **18.86%** of all reported absence as indicated in **appendix B** compared with **18.99%** at the previous quarter.
27. The need to build individual and organisation resilience to prevent, proactively respond to and manage stress, including effective workload management, with a particular focus on mental health awareness, is reflected in the Council's current Employee Health and Wellbeing Action Plan for 2016-18 (**appendix D**).
28. This action plan includes providing corporate HR and Workforce Planning support to departments to deliver their action plans arising from both the Children's Workforce and Adult Social Care Health Check reports for 2015/16 which identify workload management and workforce health, wellbeing and support as key areas for focus.
29. Levels of reported stress remain highest in ASCH (**25.37%**) and CFCS (**22.64%**). This reflects the particular pressures of the front line social care operating environment. As requested by elected members at the previous meeting of this committee, information illustrating the typical issues faced on a daily basis by a front line Child Protection Social Worker and Adult Social Worker are set out in **appendix E** to this report.
- **Other reasons:**
30. The next most prevalent reason for absence across the Council continues to be surgical operations and post-operative recovery which is unavoidable but can usually be planned to minimise the impact on service continuity. As at the 31st March 2016 this stood at **18.30%**, an increase from **17.44%** at the previous reporting period.

31. Across the local government sector absence caused by muscular-skeletal problems is currently reported as **14.40%**. The NCC percentage currently stands at **12.05%** which currently reflects the comparatively high proportion of physically demanding frontline services provided in-house.
32. As the current workforce involved in delivering the physically demanding front line Highways service moves into an alternative service delivery model during 2016/17 this is likely to decrease which will have a proportionate impact on percentages against other reasons.

Long term absence

33. As set out in **appendix C** of this report, data for the final quarter of the year 2015/16 indicates that overall **59.929%** of all reported absence across the Council is long term (that is of 4 weeks or more in duration).
34. A reduction in long term absence should result from the strategic interventions outlined in paragraphs 27 and 28 above.
35. Minimising the duration of long term absence where it has occurred by supporting managers through HR and Occupational Health input to make early interventions to support return to work remains a priority for action.

Employee Health and Action Plan

36. In addition to identifying corporate responses to further improve the health and wellbeing of the Council's workforce, as set out in the current Employee Health and Wellbeing Action Plan (**appendix D**), all available data continues to be used to identify service areas where improvement is most required and/or there are specific reasons for high levels of absence and prioritise these for intervention.
37. The action plan sets out both ongoing work and new areas of work which have emerged since the previous status update report in September 2015, these include the development of management guidance on supporting employees with terminal illness/end of life and on support for employees with Dyslexia through joint working with the trade unions.

Smokefree Policy

38. The plan also highlights development work completed and actions delivered since the previous report including the launch and implementation of the Council's new Smoke Free policy which has the support of the trade unions and was formally agreed at Policy Committee on 20th April 2016. This will be implemented from 23rd May following the provision of support and information to help employees quit smoking or abstain whilst at work.

Other Options Considered

39. The Council's approach to employee health and wellbeing is the subject of ongoing discussions with trade union colleagues which now take place through task focussed time limited joint working groups.

Reasons for Recommendations

40. The recommendations in this report 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 continue to be submitted on a quarterly basis.

Statutory and Policy Implications

41. 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

42. These are set out in the body of this report. The trades unions continue to be engaged in joint working to further develop employee health and wellbeing initiatives, as set out in **appendix D** to this report. Trades union colleagues are supportive of the priority that is being given to tackling and providing support around the issues of stress and have emphasised the need overall for continuing work with managers.

Equalities Implications

43. 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 Personnel Committee:

1. Note the current level of performance and related trends in respect of sickness absence levels.
2. Consider and agree a performance target for 2016/17.

3. Note the current actions being taken by HR Business Partners to work with departmental managers to reduce absence and improve the health and wellbeing of their workforce.

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Constitutional Comments (KK 26/04/16)

44. The proposals within this report are within the remit of the Personnel Committee.

Financial Comments (SES 03/05/16)

45. There are no specific financial implications arising directly from this report.

Human Resources Comments (CLG 18/04/16)

46. The human resources implications are implicit in the body of the report. The trade unions have provided comments which are generally supportive of the information set out in the report.

Background Papers

Trades Union Side comments

Electoral Division(s) and Member(s) Affected

All