

**REPORT OF THE SERVICE DIRECTOR – HUMAN RESOURCES AND
CUSTOMER SERVICE****SICKNESS ABSENCE PERFORMANCE AS AT 30TH SEPTEMBER 2012****Purpose of the Report**

1. To provide a further quarterly update for Members about Nottinghamshire County Council's performance in relation to current levels of sickness absence across its workforce.

Information and Advice**Background:**

2. Reducing the number of working days lost to employee sickness absence remains one of the Council's strategic priorities. At the Personnel Committee meeting on 26th September 2012 Members received updated data and analysis of the Council's performance against this key corporate performance indicator which set out the situation as at 30th June 2012.
3. The Council's established corporate performance target for 2012/13 is **8.25 days** absence per employee per annum; the longer term stretch target is **8.17 days** absence per employee per annum by 1st April 2014.
4. The introduction of Phase 1 of the Council's new Business Management System in November 2011 enabled the majority of managers to directly undertake real time reporting of sickness absence amongst their teams.
5. In order to ensure that all absences are being appropriately reported, all managers are regularly reminded through the Managers Resource Centre and the Attendance Management training programme of their responsibility to ensure all absence is recorded in a timely and consistent manner.

Current Performance:

6. The data set out in detail in the **appendices** to this report reflects the validated and full data set as at the end of the second quarter of 2012/13 (that is July to September 2012). This covers both the majority of direct services who now report absence through the SAP system and the small number of direct services, as well as all schools, where sickness absence remains reportable through the Cyborg system pending the implementation of Phase 2 of the Business Management System (BMS) in 2013.

7. The fully validated data set indicates that the current level of sickness absence for the second quarter in 2012/13 is **7.94 days** sickness per employee on average per annum. This represents an ongoing improvement overall of **0.22 days** on the previous quarter and **0.31 days** above the Council's current in year target.
8. This is consistent with the continuing trend of constant improvement which has seen an average quarter on quarter improvement of **0.26 days** over the preceding twelve month period. It could however be anticipated that over the next quarter uncertainty generated by the issue of a further Section 188 notice and the usual seasonal illnesses prevalent in winter could slightly inflate absence rates.
9. Whilst performance across the Council overall continues to meet and exceed target, the charts attached to this report (**see appendix A and B**), illustrate that whilst on an individual basis there are departments which are currently on, or over, target others remain below target.
10. In addition, within every department there are some service divisions that are performing better than others and, significantly, some where performance is not on target.
11. Therefore, in order to ensure that the trend of continuous improvement is maintained and built on consistently across the Council this absence reporting data is being used by the HR team to identify "hotspot" issues. Support will be offered to each departmental leadership team to analyse the detail of performance data and trends to focus on those service areas where absence is particularly high and/or falls below target.
12. HR officers will then work with the relevant managers at local level to develop tailored interventions to effect improvements which take into consideration and respond to the main causes of and reasons for absence in the service area concerned.
13. Overall Nottinghamshire County Council's current performance and response to improving absence levels is broadly consistent with both the wider public services sector and other local authority employers, including County Councils.
14. The recently published Chartered Institute of Personnel and Development's (CIPD) Absence Management report, which surveyed employers from across the whole Public Sector, highlights, based on the responses received, that:
 - overall absence rates in public services have fallen so far in 2012 to an average of **7.90 days** per employee per annum compared to an average of **5.7days** reported by private sector employers respondents
 - of those local authorities who responded the average number of sick days per employee per annum is currently **8.1 days**
 - stress related absence has increased across public services as a result of major organisational change and restructuring
 - more absences are long term than short term - **54%** in Nottinghamshire
 - stress and musculoskeletal injuries are the most common causes of long-term absence
 - managers now play a greater role in managing absence

- many public sector employers now proactively promote good health and wellbeing, linked to workforce strategy, with a focus on stress prevention and management.

15. As previously reported to this Committee, the Local Government Association (LGA) reported an average sickness absence level for all local authorities in England during 2011 of **8.60 days** per full-time employee (FTE). For Shire County comparator authorities this was **8.40 days**. It is likely, based on the CIPD's more recent findings, that this has reduced further and it is now confirmed that updated comprehensive national statistics from the LGA for 2012 will be available in early 2013 when an update will then be provided to this Committee.

Stress - update:

16. The absence reasons report for Quarter 2 2012/13 (**appendix C**), shows that, in common with the wider public sector and all other local authorities, absence attributed to stress and stress related illness continues to be the single greatest cause of sickness absence in the Council, accounting for **19.59%** of all recorded absence. However, this represents a significant decrease of **0.74%** from **20.33%** at the previous quarter.
17. The Council's current Employee Health and Wellbeing action plan, which was considered and agreed at the Personnel Committee meeting on 26th September 2012, has a significant emphasis on building individual resilience and supporting managers to prevent, and manage stress as part of the Council's wider Workforce Strategy. It is anticipated that this will support the Council to continue to reduce the impact of organisational change on employees and maintain the trend of decreasing stress related absence.
18. The recent issue of the Section 188 notice setting out proposed post deletions for 2013/14 may result in a temporary increase in absence due to stress in reaction to the potential for redundancy, as has been the trend when previous 188 notices were issued. A wide range of support, guidance and training for affected staff is in place to minimise the impact on employees.
19. The Employee Health and Wellbeing action plan is also linked to the Council's new leadership and management competencies in order to ensure that managers take responsibility and are accountable for proactively promoting a healthy and safe working environment which will be reinforced through the Leadership and Management Development Programme which commences in November 2012.

Employee Health and Wellbeing Action Plan - update:

20. It is anticipated that, with further development, the ongoing delivery of all elements of the action plan throughout the current year will help achieve the continuous improvement required to meet one of the key priorities of the Workforce Strategy of a safe, healthy, effective and efficient workforce.
21. Recent achievements include another successful Employee Wellbeing Roadshow, on this occasion held at County Hall, on 12th September which was opened by the Chairman

of the Personnel Committee. This was well attended and featured over 20 stands providing a wide range of health and lifestyle information and expertise, from stopping smoking and losing weight to dealing with diabetes and taking up physical exercise.

22. The County Council's seasonal flu campaign for 2012/13, run in conjunction with NHS Nottinghamshire County, offers all employees a free flu jab and will be resumed in early November. This follows a short, temporary, suspension in response to an unanticipated national delay in vaccine supply. The programme will then run through until 31st January 2013. Prior to the temporary suspension period, 120 County Council employees had already been vaccinated. This campaign will both help to reduce sickness absence due to flu and help to protect vulnerable service users from infection.
23. During September a further six employee Health Champions (including employees working in front line roles in Highways, Adult Social Care and Health and the Customer Contact Centre), were recruited and trained bringing the total number of Champions to nineteen overall.
24. October saw the re-launch of the Council's on line stress audit assessment system which helps managers to work with their teams to identify stress "hotspots" and use the outcomes to develop and implement an action plan to prevent, reduce and manage stress in their workplace, with support from HR advisers to devise tailor-made action plans as necessary. As this information becomes available the focus of this work, which has already impacted positively in some service areas within Children, Families and Cultural Services and Policy, Planning and Corporate Services departments, will be widened, alongside hotspot interventions in service areas where other health issues such as musculoskeletal injuries are most significant.

Other Options Considered

A range of different approaches have been considered; including reviewing the approaches of other Councils. The current strategy and supporting action plan in Nottinghamshire has been developed over a period of time and now appears to be having a positive effective in delivering sustained improvement within a very challenging context.

Reasons for Recommendations

The recommendations in this report will enable 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

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

The human resources implications are implicit in the body of the report. The trade unions are being engaged in the delivery of the Employee Health and Wellbeing Action Plan through the Joint Wellbeing and Attendance Management Working Group.

Trades Union Comments

The trade unions have been consulted on and have provided comments on an earlier, interim report, pending final verification of data on the completion of the Cyborg reporting cycle. The final, updated, report to Personnel Committee provides clarification which addresses many of the questions raised by the trades unions. The trade union side continue to be concerned that stress and stress related illness is the most prevalent cause of sickness absence and cite the impact of organisational change and increased workloads. Further discussions on how to address these issues are taking place with the trade unions through the Joint Redundancy and Redeployment Working Group which next meets on 19th November. The trade unions response is available in full as a background paper to this report.

Equalities Implications

The Council's Attendance Management policy and procedure applies equally to all directly employed staff. There is separate policy which is applicable to all Community 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.

Financial Implications

The financial cost of sickness to any large organisation will clearly be significant and, along with increased productivity and engagement, there are significant savings to be drawn down from reduced absence rates.

It remains as yet impracticable to establish the true cost of absence to the Council as this is a complex calculation which needs to take into account a range of related factors, including the cost of providing cover in front line service areas.

Following the migration of all employee data into the Business Management System post Phase 2 implementation, it is anticipated that, during the next financial year, one of the benefits arising will be that the system will be able to provide the range of information necessary to inform a detailed analysis and accurate breakdown of the actual cost.

RECOMMENDATIONS

It is recommended that Members:

- 1) Note the current levels of performance
- 2) Note the trend of continuing performance improvement.

Marjorie Toward
Service Director HR and Customer Service

For any enquiries about this report please contact:

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Constitutional Comments [NAB 17/10/12]

The Personnel Committee has authority to consider the matters set out in this report by virtue of its terms of reference.

Financial Comments [MB 17/10/12]

There are no specific financial implications arising from the report. As stated above, planned development of the Business Management System will provide more comprehensive financial information.

Background Papers

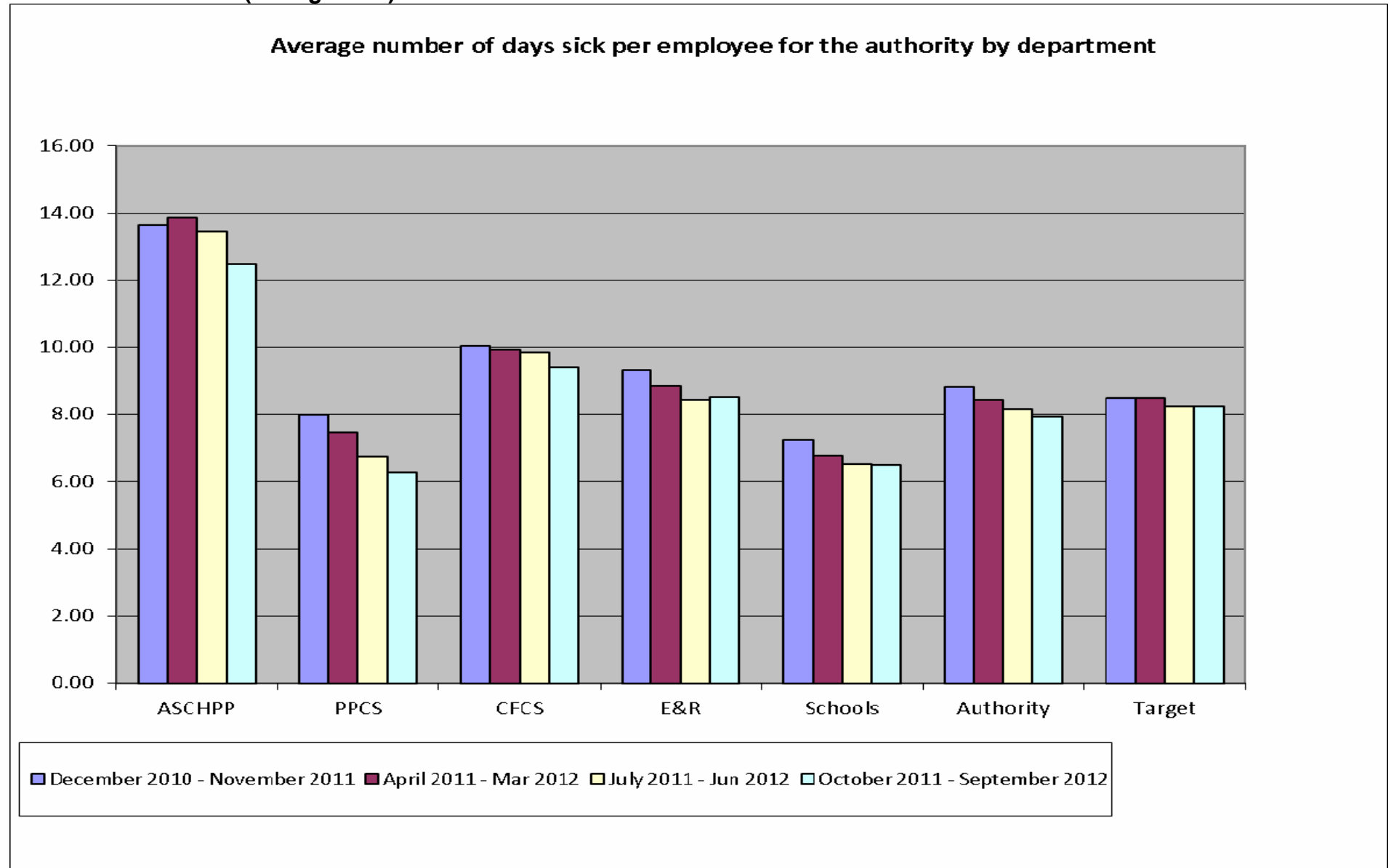
Trades union comments

Electoral Division(s) and Member(s) Affected

All

Appendix A:

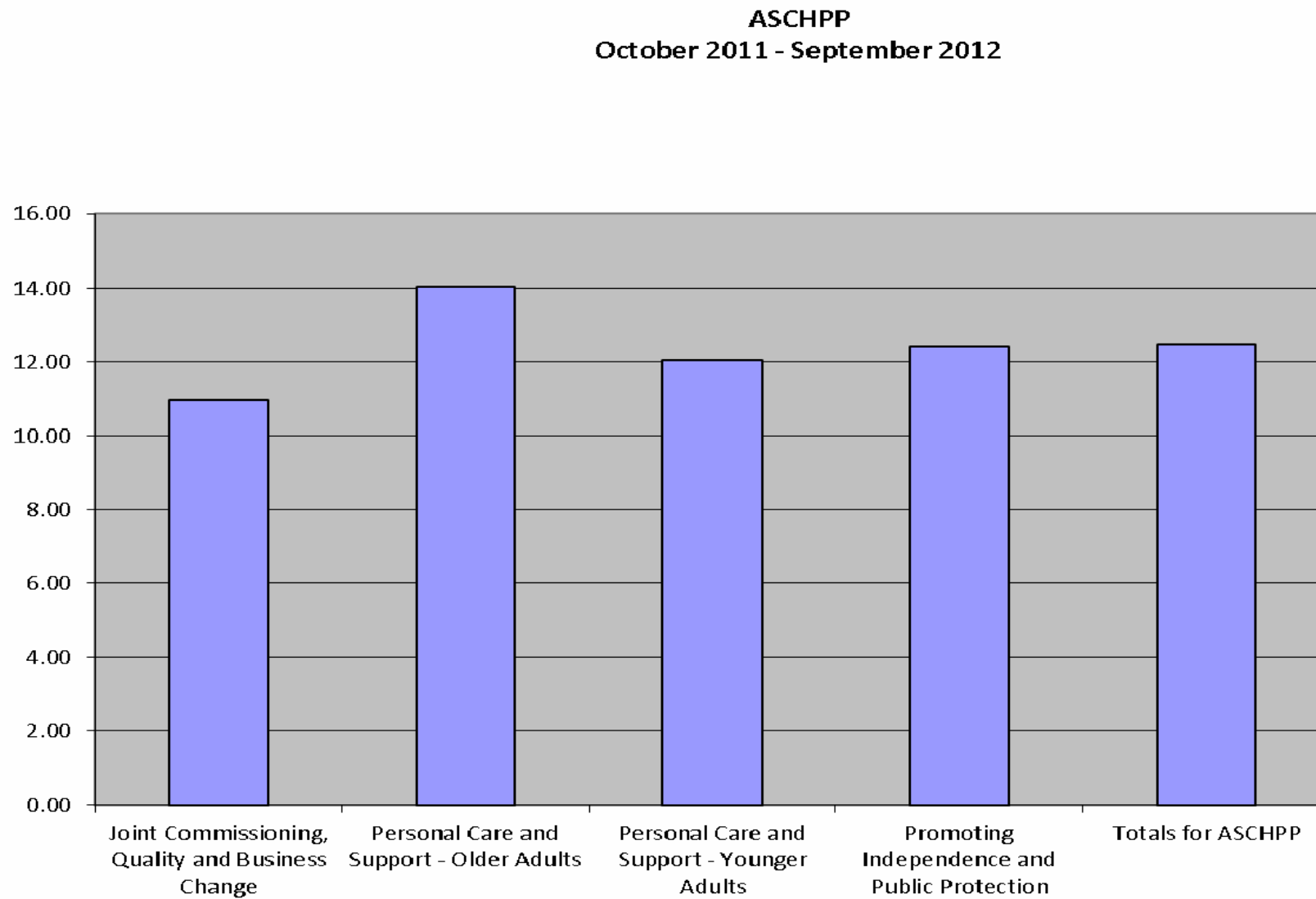
Overall Performance (rolling basis):



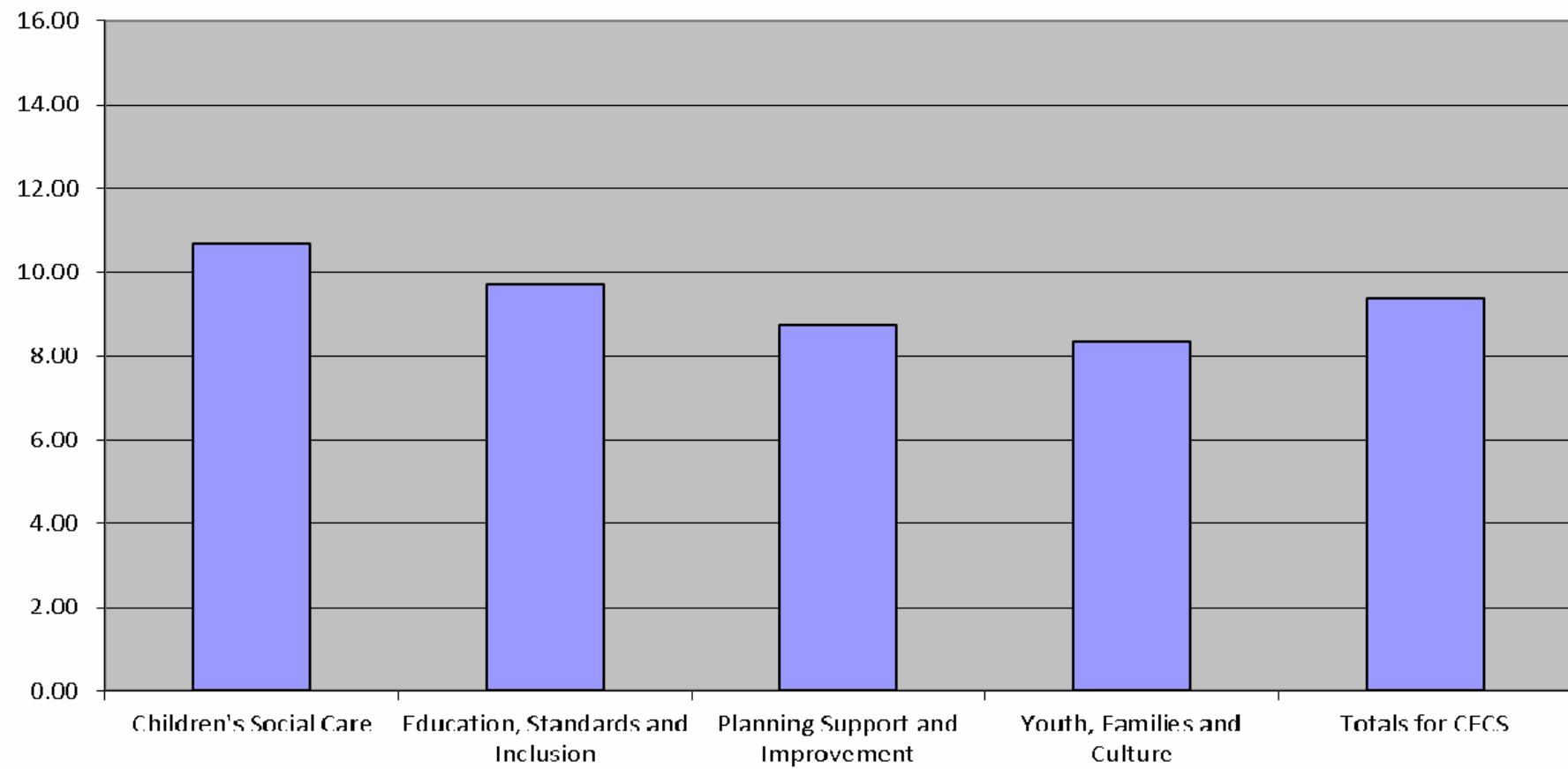
	December 2010 - November 2011	April 2011 - Mar 2012	July 2011 - Jun 2012	October 2011 - September 2012
ASCHPP	13.63	13.86	13.45	12.48
PPCS	7.99	7.47	6.75	6.27
CFCS	10.05	9.94	9.84	9.40
E&R	9.32	8.85	8.45	8.52
Schools	7.25	6.77	6.54	6.48
Authority	8.81	8.43	8.16	7.94
Target	8.50	8.50	8.25	8.25

Appendix B:

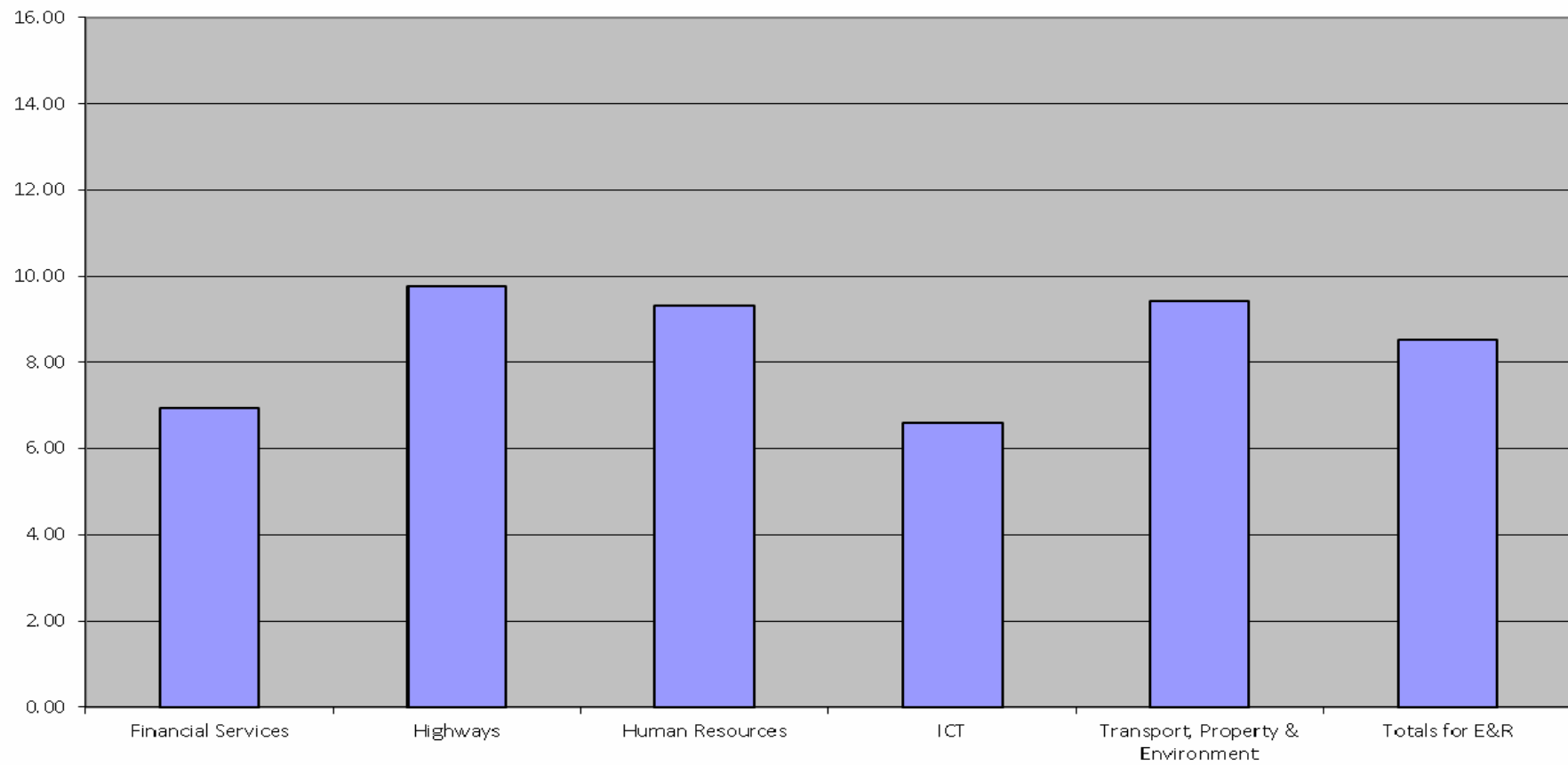
Departmental Performance (rolling basis):



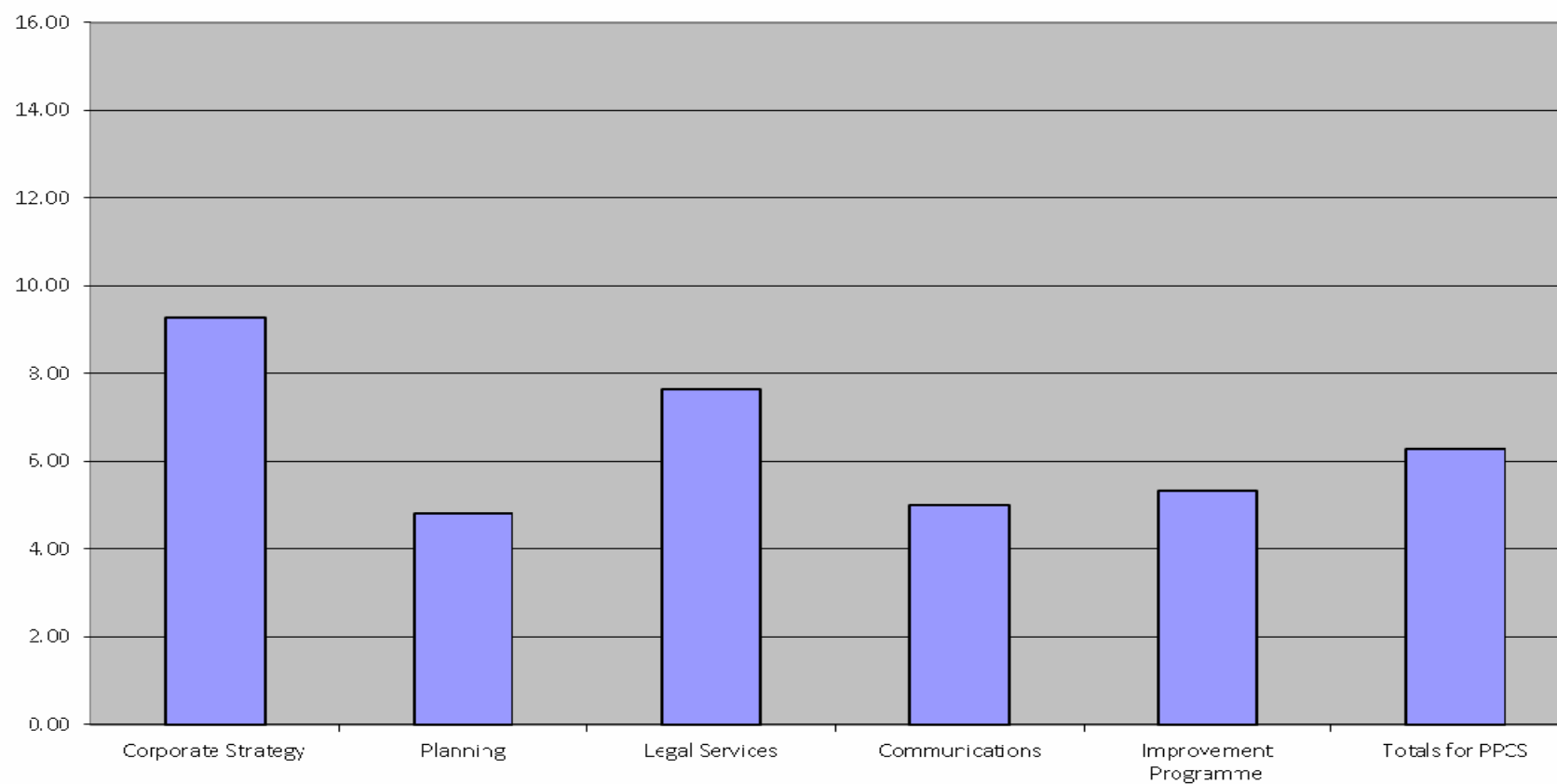
CFCS
October 2011 - September 2012



**Environment & Resources
October 2011 - September 2012**



PPCS
October 2011 - September 2012



Note: The presentation of the data chart for the PPCS department has been updated to reflect the current departmental structure.

Appendix C: Reasons for Absence 1st April 2012 – 30th September 2012:

	BACK PROBLEM	OTHER MUSC PROBLEM	STRESS / DEPRESSION	COLD / FLU / SORE THROAT	HEADACHE / MIGRAINE	OPERATION / POST OP	CHEST / RESPIRATORY	PREGNANCY RELATED	STOMACH / DIGESTION	HEART / BLOOD PRESSURE	INFECTION	SKIN DISORDER	OTHER	NOT SUPPLIED
Adult Social Care & Health & Public Protection	8.58%	11.76%	20.34%	6.99%	1.64%	17.00%	2.57%	1.05%	7.00%	2.30%	2.69%	0.51%	15.07%	2.51%
Child Families & Cultural Services	3.84%	9.89%	29.25%	7.93%	1.80%	14.93%	3.66%	1.03%	7.78%	1.79%	2.43%	0.26%	14.43%	0.98%
Environment & Resources	8.86%	15.93%	13.17%	6.95%	1.25%	18.07%	2.04%	1.46%	6.81%	2.55%	2.52%	0.36%	17.66%	2.37%
Policy, Planning & Corp Services	10.24%	3.97%	37.16%	14.51%	7.10%	5.95%	2.66%	0.84%	6.49%	4.96%	1.57%	0.00%	4.54%	0.00%
Schools	4.79%	8.55%	18.69%	12.41%	2.93%	17.57%	2.75%	2.20%	11.64%	1.42%	3.72%	0.37%	10.67%	2.29%
Totals	6.34%	11.20%	19.59%	9.29%	2.10%	17.05%	2.70%	1.59%	8.89%	1.95%	2.99%	0.37%	13.85%	2.10%

Appendix D: Long term V Short term absence:

