

13 March 2019**Agenda Item: 4****REPORT OF THE SERVICE DIRECTOR – CUSTOMERS, GOVERNANCE AND
EMPLOYEES****SICKNESS ABSENCE PERFORMANCE TRENDS AND ONGOING ACTION
FOR IMPROVEMENT****Purpose of the Report**

1. a) To update Members on quarterly performance information, **as at 31st December 2018**, in relation to levels of sickness absence across the directly employed Nottinghamshire County Council workforce.
- b) To ask Members to agree the Council's absence target for 2019/20.
- c) To seek approval for ongoing actions to further understand reasons for sickness and therefore reduce absence levels.

Information**Background**

2. This report sets out the latest available sickness absence figures and the actions being taken by the Council to continue to improve the health and wellbeing of its employees with an aim to further reduce these to make sustainable progress towards the achievement of the target of **7.00 days average per employee per annum**.
3. The range of strategic HR, Workforce and Organisational Development and wellbeing interventions and guidance has been extended as detailed in previous reports to this Committee, most recently that we are currently seeking to train a number of volunteer mental health first aiders. The County Council continues to give priority to providing a safe and healthy working environment which maximises workforce productivity and performance, motivates and engages all employees and actively promotes a culture of positive mental and physical wellbeing at work.
4. Absence levels and related trend data provide an indicator of how well the Council is performing in this respect and continue to be used to highlight areas of focus for both service specific and strategic actions to promote employee wellbeing and further develop the employee support package. Included in this report at paragraph 19 is a short case study which demonstrates the importance of targeted action and focus on improvement.

5. This approach has resulted in an overall trend of incremental improvement over recent years although there have been slight increases in the overall recorded level of absence in the most recent quarters.

Performance Monitoring and Trend Analysis

6. The table below shows the quarterly breakdown, by department since January 2017 as a 12 month rolling figure.

	(A) January 2017 to December 2017	(B) April 2017 to March 2018	(C) July 2017 to June 2018	(D) October 2017 to September 2018	(E)January 2018 to December 2018
Adult Social Care, Health	12.99	12.79	12.60	11.76	11.96
Children and Families	10.32	10.89	10.61	10.49	10.54
Place	9.49	9.47	9.03	8.98	9.20
Chief Executive's (prev. Resources)	8.75	9.21	9.21	8.59	8.17
NCC Schools*	6.13	6.34	6.34	6.72	6.79

* Maintained schools only

7. The Infographic in the **Appendix D** to this report illustrates in executive summary the situation as at 31st December 2018, when the headcount of direct NCC employees was 7,488 in relation to:
 - The level of performance against the current Council target and CIPFA national benchmarking data
 - The most significant causes of reported absence across the Council and by department during the quarter
 - The relative distribution of short and long term absence.
8. **The average level of sickness per employee per annum at the end of quarter 3 was 8.50 days overall.** This is an increase of 0.08 percentage points compared to the previous quarter when it stood at 8.42 days.
9. **Appendix B** to this report illustrates that stress and related conditions remain the most prevalent overall reason for absence across the Council and has increased slightly since the previous quarter currently standing at **21.19%** of all reported absence. This is followed by **Other** at **16.43%** and Operations/Post-Operative recovery at **15.68%**.
10. There has been an increase from **23.31%** to **29.03 %** attributed to stress and related conditions in Children and Families which requires further examination. The primary reason for absence in Adult Social Care for this period is **Other** standing at **19.58%** replacing stress at **18.88%** as the primary reason for absence.

11. Stress has been the most significant reported reason for absence in the Chief Executive's department over recent quarters, currently remaining static at **21.93%** for this period. As the restructure effective from July 2018 beds in, it is expected that this figure will have peaked and should improve in the coming months.
12. The Place department continues to be the exception where the most prevalent reported reason continues to be muscular / skeletal injury which increased from **22.22% to 22.82%** compared to stress at **18.64%**.
13. Stress, depression, anxiety, mental health and fatigue also remain the most common overall cause of all absence across the local government sector, the most recent LGA data, comprising of **22.30%** of all absence across the sector nationally and **22.40%** for comparable Councils.
14. At **21.19%** the Council's overall performance reflects its commitment to taking action to prevent and manage stress and related conditions to achieve continuing improvement and continues to compare favourably with other Councils and public sector employers nationally.
15. The next most significant attributed reasons for absence across the Council are operations and post-operative recovery replaced by Other at **16.43%**. The increased use of Other as an absence reason requires further investigation as previously managers inputting absence onto BMS have used it as a default reason and work has previously been undertaken to limit its use.
16. Muscular / skeletal conditions are the third most reported reason but have fallen again this quarter from **12.22% to 11.74%**. This particular downward trend is indicative of the changing nature of the workforce with fewer employees being engaged in physical/manual labour.
17. Absence due to Flu shows a slight decrease this quarter having moved from **9.85% to 9.45%**. It is expected that this figure will increase in the next reporting period as a recognised seasonal trend. Anecdotally it has already been noted that there has been an increase in absence attributable to these symptoms within areas which do not usually experience high levels of short term absence. The next report will contain further analysis on the various reasons for absence to further inform any additional actions required.

Benchmarking

18. Despite the recent increase, overall the level of the Council's current performance continues to compare well against the most recently available benchmarking data for the local government sector. The Council is awaiting updated information from our identified benchmarking sources but the current figures are produced below for ease of reference:
 - The Chartered Institute of Public Finance Accountancy (CIPFA) published data for March 2017 shows that the average for comparable County Councils in the national benchmark cohort is now **8.60 days** (having increased from **8.50 days** at the previous year) and **9.30 days** for all Councils.
 - The most recent annual Local Government Association (LGA), Workforce Survey (March 2018), continues to report an average of **8.70 days** across all local authority respondents.
 - The most recent (May 2018) annual benchmarking report on absence management from the Chartered Institute for Personnel and Development (CIPD), reports the average days

absence reported by respondents across the wider public sector, including Health and Central Government, as **8.50 days** and across respondent private sector services as **6.60 days**.

Case Study – Business Service Centre (BSC)

19. During 2018 the BSC had a focus on reducing its levels of sickness absence and ensuring that the Authority's agreed employment processes and procedures relating to attendance management were robustly and consistently applied. It was noted that between January and December 2017, the full time equivalent days lost at the BSC was **12.4 days**. Due to targeted interventions, this has reduced by just under 25% for the period January to December 2018 to **9.4 days**.

20. This has been achieved through the following actions:

- Local managers working with a dedicated HR Business Partner
- Ensuring that all managers responsible for managing sickness absence were fully briefed and current with the agreed processes and procedures
- Ensuring that all absences were reviewed on a quarterly basis
- Actions included robust completion of Return to Work discussions, undertaking trigger meetings, issuing cautions and where appropriate, taking formal action to deliver the required improvement. Managers have been held accountable for their actions
- This has resulted in a range of outcomes with employees being supported to access a range of services – including counselling, Occupational Health, Access to Work, physiotherapy services – all of which have made a positive contribution toward assisting people to return to work earlier.

21. As a consequence, people have felt more motivated to return to work, understanding that their absence has a direct impact on their colleagues and service delivery. The service will continue to build on this initial improvement by continuing this focused approach into 2019.

Actions for Improvement

22. The ongoing challenge of preventing and significantly reducing stress and stress related absence and enabling employees to improve their resilience and mental wellbeing therefore continues to be a priority of the Council's employee health and wellbeing action planning and delivery, supported by a range of existing initiatives. Members of Personnel Committee have received detailed information on a number of occasions describing our extensive provision to promote good mental health in the workplace.

23. The focus on mental health at work will continue to be a key area on which to focus activity and we continue to work closely with the recognised trades unions to identify and test the effectiveness of the various initiatives in place and develop new approaches and activities to further improve employee health and wellbeing and reduce absence. This includes reviewing the current action plan.

24. The refreshed employee support package on the platform of the Wellbeing intranet page launched in April 2018 provides additional information including how to access the new Workplace Buddies and the Chaplaincy Service.

25. Recent feedback received as part of the consultation on a revised package of terms and conditions has highlighted a number of interesting points around how people are feeling and their view of working for the Council. It is considered important to listen to this information and to provide employees with a further opportunity to express their views.
26. We will continue to explore any suggested additional provision to determine whether there is a benefit to adding to our existing package of support.

Other Options Considered

27. In addition to its overall strategic approach, the Council continues to benefit from the ongoing commitment of the recognised trade unions in considering options to improve employee health and wellbeing. Their active engagement and involvement, and that of the employee support groups, in task focussed, time limited, joint working groups which operate as sub groups of the Central Joint Consultative and Negotiating Panel, are helpful in developing proposals for further consideration by Members. It is also intended to work more closely with colleagues in Public Health to engage their expertise in finite pieces of work which will add to our overarching strategy.

Reasons for Recommendations

28. The recommendations in this report will enable Elected Members to regularly review the current levels of performance and consider potential actions to further reduce the level of absence in order to meet the Council's identified target.

Statutory and Policy Implications

29. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Data Protection and Information Governance

30. The data in this report and the associated appendices cannot be attributed to individual employees and therefore protects their privacy.

Financial Implications

31. There is no specific budget allocation to fund the development and delivery of employee wellbeing interventions and initiatives. This is met from within the HR, Workforce and Organisational Development budgets.

Human Resources Implications

32. These are set out in the body of this report. The trades unions continue to be engaged in joint working with managers and HR colleagues to further develop employee health and wellbeing initiatives including joint training and guidance and have commented very positively on joint working with management and the impact of this on staff absence levels.

Public Sector Equality Duty Implications

33. 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 Members:

- 1) Continue to receive updates regarding the revised Employee Health and Wellbeing Action Plan 2018/19 and agree any new additions to the plan.
- 2) Agree to restate the target of 7 days absence for the coming year (April 2019 to March 2020).
- 3) Receive a further report on progress at the final quarter of 2018/19 at May's Committee.

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Constitutional Comments (KK 19/02/19)

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

Financial Comments (RWK 21/02/19)

35. The financial implications are set out in paragraph 31 of the report.

HR Comments (GME 13/02//19)

36. The human resources implications are set out in the body of the report. Significant activity has been undertaken to develop a comprehensive support package for employees experiencing periods of both physical and mental ill health and this is subject to ongoing review to ascertain the impact of individual measures and the overall package. Where possible if business/service needs allow, employees are actively encouraged to work more flexibly to enable them to have an element of choice in how and when they work which can assist with the management of long term health conditions.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All