

**REPORT OF THE SERVICE DIRECTOR – CUSTOMERS AND HUMAN
RESOURCES****EMPLOYEE HEALTH AND WELLBEING AND SICKNESS ABSENCE
PERFORMANCE UPDATE AS AT 31st MARCH 2017 AND ACTION PLAN****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 performance data and reasons reporting is drawn down on a rolling 12 month basis from the information input by line managers into the corporate Business Management System (BMS), its analysis is reported to Members at regular quarterly intervals.
3. The data in this report reflects the final quarter of 2016-17, that is the position **as at 31st March 2017**. At this date the headcount of direct NCC employees was **7,530**.
4. The performance information in **Appendices A-C** to this report:
 - Sets out current performance and comparison between departments and service divisions
 - Illustrates the reasons for absence across the Council
 - Sets out the relative distribution of short and long term absence.
5. The source data is available through the Manager Self Service element of the BMS to all NCC managers and enables them to focus on improving workplace wellbeing to prevent and reduce absence in their service area and, where absence occurs, to respond to individual issues and identify any reasonable adjustments to enable the earliest possible return to work.
6. Sickness absence performance information also informs the ongoing review and development of the Council's Employee Health and Wellbeing Action Plan. This identifies a series of actions to effectively address the actual and potential impact of ongoing and significant organisational change on employee wellbeing and minimise its impact on levels of attendance.

7. Regular updates are provided to Members on the development and implementation of this Action Plan, setting out the current status of ongoing and completed actions. An updated draft of the plan showing progress against current priorities as at 31st March 2017 is attached as **Appendix D** to this report.

Overall Performance and Trends

8. The average (or Mean) days sickness per employee per annum as at 31st March 2016 at **8.37 days** overall, a decrease of **0.05 days** on the previous quarter.
9. The use of a 12 month rolling data period enables historical comparison which indicates that within this authority it remains one of improvement over recent years from a high of **10.15 days** as at 30th June 2010.
10. The Council's previous in year target has been retained at **7.00 days average per employee per annum by 1st April 2018**. This reflects the need to have a sufficient period to take into account the impact of the transfer out of a number of, predominantly front-line services into alternative service delivery models during 2016 before setting a revised target for 2018/19.
11. The charts in **Appendix A** illustrate the relative absence levels in each service department and in the service areas within each department.
12. A range of HR and Learning and Development interventions are in place to enable departmental managers to work toward reducing absence levels in their service areas with the support of their HR Business Partner, as summarised below:
 - Targeted HR surgeries to provide advice and support to managers to improve attendance in those service areas where it is most required. For example with the Catering, Cleaning and Facilities Management (CCFM) function in the Place department and with social care managers in both CFCS and ASCH with a particular focus on stress.
 - Supporting managers to focus on improved workplace wellbeing to reduce and prevent absence, including that relating to stress, and to build a culture of resilience in a climate of continuing change with a range of associated management guidance and learning materials.
 - Specific additional guidance, developed jointly with the trade unions, on supporting employees with terminal illnesses was added to this provision in December 2016 and further guidance on supporting employees with Dyslexia was added in April 2017.
 - Identifying outstanding long term absences and supporting managers to tackle these and engage with Occupational Health for appropriate professional advice.
 - The provision of a range of bespoke learning materials and training interventions on preventing and managing absence and supporting employees to be well at work covering Resilience, Stress and Mental Health awareness.

- An established attendance management policy with a range of guidance and tools, including an online stress audit tool, to assist managers to identify actions for improvement.
- Access to an employee counselling service through manager referral.
- Access to the coaching service through manager and self-referral.

13. In addition the corporate Employee Health and Wellbeing Action Plan sets out a range of pro-active and preventative strategic measures, co-ordinated through the HR team, aimed at further improving the health and wellbeing of the Council's workforce.

Benchmarking

14. Whilst the Council's performance figure of **8.37 days** currently exceeds the Council's current target of **7.00 days**, the Council's current average performance remains comparable to that of its benchmark comparators:

- The most recently reported (2016), CIPFA benchmark average for County Councils in the benchmark cohort is **8.50 days (9.40 days** for all local authorities).
- The most recently reported (2015), local government (LGA) average for County Council's is **9.00 days (8.50 days** for all local authorities).
- The Chartered Institute of Personnel and Development (CIPD) annual Absence Management Survey Report for 2016 records the average level of employee absence reported by its local government respondents at **9.80 days**.
- Regionally the current reported average number of fte days lost to sickness across all East Midlands Council's is **9.30 days**.

15. It is anticipated that an increased emphasis on the range of HR interventions, as set out in paragraph 12 above, to support and enable departmental managers to work toward reducing absence levels in their service areas, linked to their own performance targets, should both ensure achievability and be sustainable.

Reasons for Absence

16. The reason categories in **Appendix B** enable NCC managers to attribute a reason for each occurrence of employee sickness absence when recording the absence on the BMS. They have been adopted in this format to reflect those used by the Local Government Association (LGA) which allows for direct comparison with other local authorities and national performance benchmarking.

17. Absence attributable to colds and flu remains fairly constant throughout the year at around 9% and there has been no marked seasonal impact in recent years which have not seen any major UK flu epidemic. The rate during quarter 4 of 2016/17 being slightly higher than at the same period last year at **9.70%** compared to **9.43%**. Free vouchers for seasonal flu vaccination have been made available to front line NCC employees with Public Health funding.

- **Stress:**

18. In recent years the most common overall cause of all absence across the local government sector has been reported as attributable to stress, depression, anxiety, mental health and fatigue. The most recently available LGA data indicates that this currently comprises of **22.20%** of all absence across the local authority sector nationally.
19. Stress also remains the most prevalent cause of sickness absence in the County Council although this has continued to decrease in recent quarters. Reported absence attributed to stress and related conditions currently stands at **17.87%** of all reported absence, as indicated in **Appendix B**, compared with **18.63%** at the previous quarter, a further decrease of **0.76** percentage points.
20. There is the potential that the financial challenges facing local authorities and uncertainty about the future is impacting on stress levels; which may be impacting more on some service areas.
21. At **25.40%** of all departmental absence, levels of reported stress is currently highest in Resources, however this is a decrease from **26.11%** at the previous quarter. Absence reported as attributable to stress has fallen by **2.16** percentage points to **24.65%** in CFCS and by **0.25** percentage points to **21.01%** in ASCHPP.
22. The ongoing need to build individual and organisation resilience to prevent, proactively respond to change 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.
23. A range of learning interventions and coaching provision is available to support affected employees to maintain their resilience and attendance at work. Further detail is provided in the quarter 4 Workforce Planning update report to this Committee.

- **Other reasons:**

24. The next most prevalent reason for absence across the Council continues to be surgical operations and post-operative recovery which, whilst unavoidable, can usually be planned to minimise the impact on service continuity. As at the 31st March 2017 this stood at **16.01%** a further decrease from **16.35%**, at the previous reporting period.
25. Across the local government sector absence caused by muscular-skeletal problems is currently reported as **15.70%**. NCC continues to perform well in comparison, the percentage of absence attributed to this reason currently stands at **12.98%**. This continues to reflect the changing nature of the council's workforce including the transfer of significant numbers of front line workers to Inspire, Arc and Via.

26. Reflecting its commitment to supporting employees diagnosed with a terminal illness, the previous quarter saw the introduction of the additional reporting category which enables managers to record terminal illness separately and currently stands at **0.23%** of all reported instances compared with 0.15% at the previous quarter.
27. Currently 1.16% of all reported absence is not assigned to a category by the reporting manager and 14.79% is attributed to the “other” category. Frequent reminders are issued to managers emphasising the importance of accurate assignment.

Long term absence

28. “Long term” absence, that is where continuous absence exceeds 4 weeks, currently accounts for just under 60% of all absence, as illustrated in **Appendix C** to this report. Managers are supported through HR and the Occupational Health Service to make early interventions and ensure that reasonable adjustments are in place to enable those employees whose illness is longer term to return to work at the earliest reasonable opportunity.
29. Service managers are regularly contacted by their HR Business Partner when records indicate that one of their employees has been absent from work for 4 weeks or more and that an occupational health referral has not been submitted. Managers are advised to consider submitting a referral to the Occupational Health Service unless the employee is due to be returning back to work shortly, or the absence is following a routine procedure and to outline their proposed action to HR.
30. Managers are also encouraged to use the toolkit of measures available to them under existing policy, including trigger levels and return to work interviews, to respond to short term, repetitive or regular absence and patterns of absence.

Employee Health and Wellbeing Action Plan

31. Supporting the Council to be a Healthy Organisation is a key theme of its current Workforce Strategy, the Employee Health and Wellbeing Action Plan sets out the actions and measures identified to achieve this.
32. Corporate responses to further improve the health and wellbeing of the Council’s workforce continue to be applied and new initiatives identified on an ongoing basis, these are set out in the current Employee Health and Wellbeing Action Plan contained in **Appendix D**.
33. The quality and breadth of the Council’s support for the improvement of the health and wellbeing of its workforce has been demonstrated by its ongoing accreditation against the Wellbeing at Work, Platinum level standard, the highest level of award under the current scheme. Nottinghamshire is the first local authority employer to be awarded this level.

34. The current action plan sets out progress achieved since the last update which reflected the position at December 2016 and the existing and proposed actions for 2017/18.

Other Options Considered

35. In addition to its overall strategic approach, the Council has secured the engagement and commitment of the recognised trade unions to improving employee health and wellbeing through their involvement in task focussed, time limited, joint working groups which operate as sub groups of the Central Joint Consultative and Negotiating Panel.
36. To date this joint working has produced additional guidance for managers on promoting positive mental health at work and on effectively supporting employees diagnosed with terminal illness.
37. The most recent focus of these working groups was on producing specific management guidance on supporting employees with diagnosed terminal illness and those with Dyslexia which was launched during April 2017.

Reasons for Recommendations

38. The recommendations in this report will enable Elected Members to review the current levels of performance set out in this report and consider the actions that are required to improve the level of performance in order to meet the Council's identified target.
39. It is proposed that regular update reports will continue to be submitted on a quarterly basis.

Statutory and Policy Implications

40. This report has been compiled after consideration of implications in respect of crime and disorder, 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, sustainability and the environment and ways of working 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

41. 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 including joint training and guidance and have commented very positively on joint working with management and the impact of this on staff absence levels.
42. Trade union colleagues are supportive of the positive steps made by the authority to support and help staff; particularly in target areas where

absences are higher than other departments. Trades union colleagues view the Council's lower than average absence levels when compared to other local authorities as positive but have commented that the target of 7 days absence per fte may prove to be too stretching.

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 in respect of sickness absence and agree to continue to receive regular quarterly update reports.
2. Agree the Employee Health and Wellbeing Action Plan 2017–18 in **Appendix D** to this report to ensure continued progress towards the previously agreed target of an average of 7 days absence per fte.

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Constitutional Comments (KK 01/06/17)

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

Financial Comments (CSB 30/05/17)

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

Human Resources Comments (CLG 31/5/17)

46. The human resources implications are implicit in the body of the report. The trade unions have asked that we highlight the continuing support the authority provides for employees and managers and benefits that staff receive and are keen to see this continue.

Background Papers and Published Documents

Trades union comments 19/6/17

Electoral Division(s) and Member(s) Affected

All