

REPORT OF THE SERVICE DIRECTOR HR AND CUSTOMER SERVICE**SICKNESS ABSENCE PERFORMANCE AS AT 30th SEPTEMBER 2014****Purpose of the Report**

1. To provide a current update for Members about Nottinghamshire County Council's performance in relation to levels of sickness absence across its wider workforce and the measures being taken to improve the health and wellbeing of its direct employees.

Information and Advice**Background**

2. Sickness absence data, reasons reporting and associated trend analysis is drawn down at regular intervals from the corporate Business Management System. This information is used to inform the development of measures to ensure that the ongoing trend of improvement in attendance is maintained, and to identify appropriate responses to improve the health and wellbeing of the Council's workforce.
3. Nottinghamshire County Council aspires to be an exemplar of good employment practice. 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.
4. Whilst the overall priority for the Council as an employer is to continue to sustain and improve on its level of performance in reported sickness absence levels, organisational change and the associated uncertainty arising makes it essential to retain a focus on employee wellbeing, in particular mental health, in order to sustain progress.
5. The aim is to provide a psychologically healthy working environment which minimises the potential for the development of a culture of "presenteeism". This can be achieved through continuing to develop management capability and engaging the Council's workforce to proactively build a culture of positive mental and physical wellbeing
6. 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, and on early engagement to return to work and rehabilitate those who are absent due to ill health.
7. This will be reflected in a refreshed Employee Health and Wellbeing Action Plan, currently under development with the input of Public Health, which includes an aspiration to be amongst the first local employers to achieve the newly introduced

Platinum level accreditation of the Wellbeing at Work Workplace Health Award. It is hoped to present a draft of this action plan to a future meeting of this Committee.

Current performance

8. The Council's sickness absence reporting continues to include NCC schools in which the recent trend has been for levels of reported absence to be lower than the NCC average.
9. The Council's year end out turn figure for 2013/14 was **7.39 days**, exceeding an in year target of **8.17 days** by **0.78 days**. A revised performance target for 2014/15 was agreed and set at **7.40 days** by 1st April 2015.
10. The trend remains one of incremental improvement, with validated data for the second quarter of 2014/15 indicating that the level of days lost to sickness, including NCC schools, continues to fall, currently standing at **7.06 days** as at 30th September, a decrease of **0.16 days** on the previous quarter of the year and well within the in-year target.
11. The potential that this outcome may reflect an increase in the degree of manager under-reporting on the Business Management System (BMS), is recognised and NCC managers and schools have recently been messaged to remind them about the importance of regular, accurate and timely reporting.
12. The Council's overall performance is most influenced and impacted on by the performance of its largest services, NCC schools and the frontline services in Environment and Resources, and performance in these areas has improved since the last quarter.
13. The transfer of some functions within the authority as a result of ongoing structural change can also impact on the relative overall performance outcome.
14. Absence remains highest in the ASCHPP department where there has been a steady increase in reported absence in recent quarters, now standing at **11.20 days**, significantly higher than in other departments and in schools.
15. Targeted HR support and advice is available to all managers to enable them to manage and reduce sickness absence amongst their staff.
16. The next update report to Personnel Committee will set out the known situation as at the end of the third quarter of 2014/15 that is as at 31st December 2014.

Benchmarking

17. Since the previous report the Chartered Institute of Personnel and Development (CIPD), has published its 2014 Absence Management Survey. This report highlights that nationally across both public and private sector employers there has been a fall in absence levels over the last year, with absence across the whole public sector falling by nearly a day to **7.90 days** on average per employee per annum.

18. The most recently available CIPFA data, which includes schools, indicates average performance against all the County Councils in the benchmarking group is **8.80 days**, whilst across all local authorities who are members of the benchmarking network, it is **9.50 days**. The lower quartile (best) performers stand at **7.40 days** for County Councils and at **7.0 days** for all authorities, the Council's current performance is therefore well placed within this high performance quartile.
19. The latest Local Government Association (LGA) Workforce Survey also reports the local government average sickness FTE employee per annum as **8.80 days** for all Councils.
20. All available benchmarking data demonstrates that NCC's overall performance continues to be considerably better than the national average for the local government sector and wider public sector and, if sustained, should ensure that the Council's revised target of **7.40 days** is met by year end 2014/15.

Reasons for absence

21. The LGA Workforce Survey reports the main causes of reported sickness absence across all local authorities as stress at **21.9%** and muscular skeletal injuries at **15.00%**, The Council's performance is better than the national average against these categories.
22. Reasons for absence in NCC as at 30th September 2014 are set out in **appendix B** of this report:
 - **Stress:**
23. The 2014 CIPD Workforce Survey report highlights an increase in stress and mental health problems across the UK workforce, as well as an increase in presenteeism.
24. Relatively high levels of stress related absence across the 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.
25. 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.
26. Despite an ongoing improvement from a position when stress and stress related illness constituted as much as **21%** of all recorded absence, it remains the most significant cause of sickness absence in the County Council. Reported absence attributed to stress currently continues to decline, standing at **17.84%** of all reported absence as indicated in **appendix B** compared with **17.96%** at the previous quarter.
27. It is imperative that this trend of improvement is maintained and that levels of stress and stress related illness continue to decline. HR Business Partners continue to work with managers in hot spot areas to identify causes and solutions which will include promoting the use of the Council's on-line stress audit tool to engage with staff to identify actual and potential stressors and action plan accordingly.

28. HR are actively working with the trade unions through the Joint Attendance Management and Wellbeing Steering Group to focus on supporting staff through change, with 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 are under development.

- **Other reasons:**

29. The next most prevalent reason for absence in NCC is surgical operations and post-operative recovery which has risen to **17.32%** from **16.46%** at the previous quarter, followed by absence reported against “Other” reasons remaining relatively constant at **15.54%**.

30. Within this Council absence attributable to muscular skeletal problems now stands at **12.21%**, a slight increase of **0.12 percentage points** on the previous quarter. This may reflect 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.

31. The percentage of illness not attributed by managers at the point of recording to any specific reason in the reporting categories, having fallen, currently remains relatively constant at **1.19%**.

- **Long term absence:**

32. As previously reported, the BMS Business Intelligence report has been modified to assign absences to the correct category and re-align the proportions of short term and long term absence identified.

33. This adjustment established the reporting of long term absence that is of four weeks or more in duration from the first quarter of 2014/15 when the out turn was **60.38%** against **39.62%** short term. For the second quarter of the year data indicates that **60.51%** of all absence is currently long term, (**appendix C**).

Next Steps

34. As the Council implements significant organisational change and transformation through the framework of the *Redefining Your Council* programme, it is critical 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. Also that managers are provided with the skills to support staff through change.

35. The Council’s HR team will design and deliver new learning initiatives and resources to enable NCC managers and employees to take responsibility for their own psychological wellbeing and that of others to build the resilience necessary to respond to the inevitable pressures that change brings.

36. As an initial measure a series of short sessions on “Sharing Responsibility for Future Success”, which is an integral part of the Council’s Leadership Development Programme, commenced on 5th November and uptake has been high. Work will now

commence on developing a roll out of further sessions and eLearning resources to the wider workforce.

Other Options Considered

37. 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

38. 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

39. 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

40. The trades unions are engaged in the further development of employee health and wellbeing initiatives through the Joint Wellbeing and Attendance Management Steering Group. The trades unions have commented specifically on the impact of organisational change and uncertainty on staff wellbeing in response to this report and have highlighted the need for training and support and guidance for staff and managers in this area. Guidance on supporting staff with mental illness is being jointly developed with trade union colleagues and training in supporting employees to develop psychological resilience is currently under way.

Equalities Implications

41. 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 note:

1. The current level of performance in respect of sickness absence levels and on-going trend of continuous improvement.
2. The actions being taken to improve employee wellbeing.

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For any enquiries about this report please contact:

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Constitutional Comments (KK 30/10/14)

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

Financial Comments (SEM 5/11/14)

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

Human Resources Comments (CLG 17/11/14)

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

Background Papers

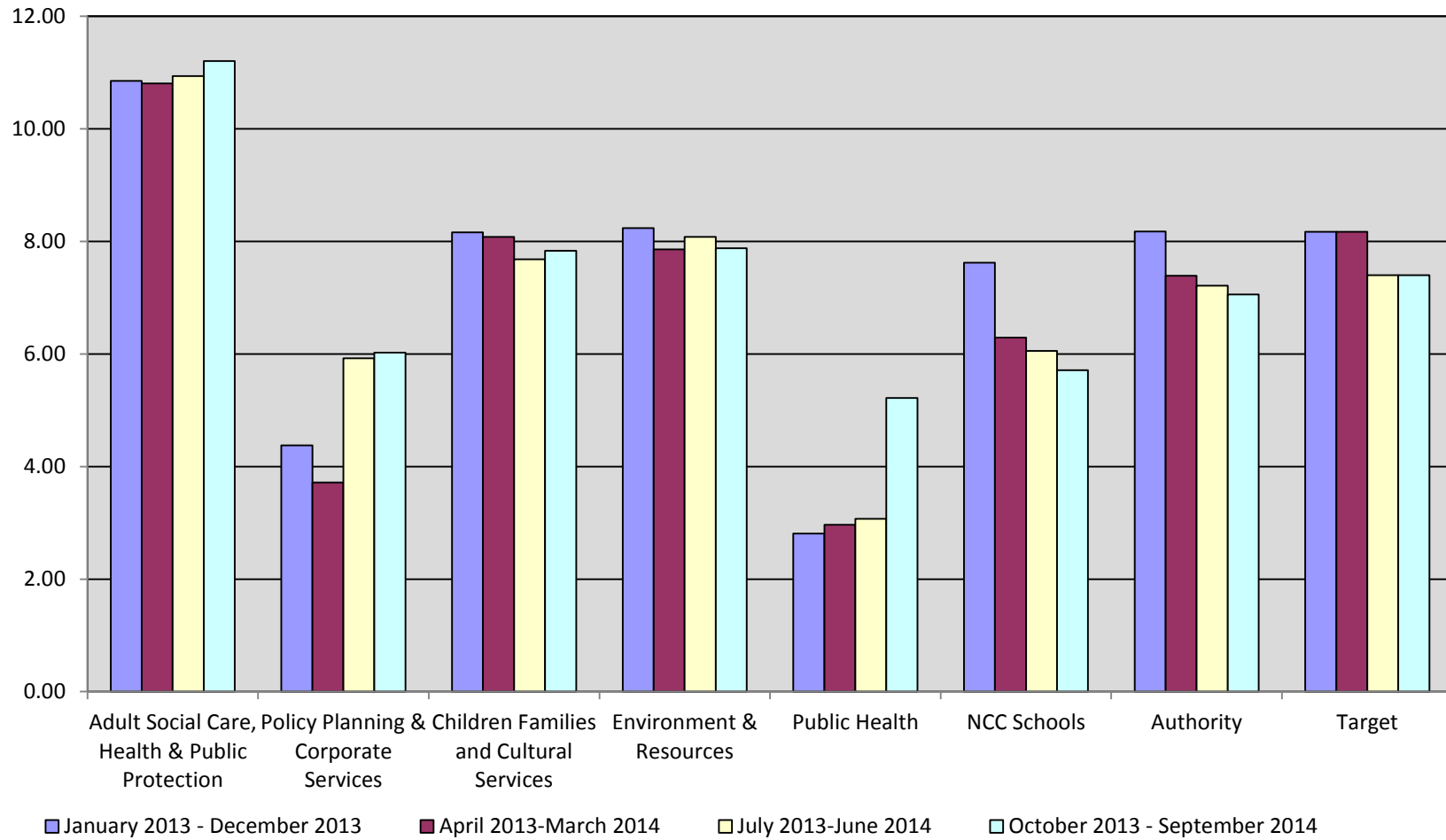
None

Electoral Division(s) and Member(s) Affected

All

Appendix A: Overall Sickness Levels by Department on rolling 12 month basis

Chart 1. Average number of days sick per employee for the authority by department



**Chart 2. ASCH & Public Protection
October 2013 - September 2014**

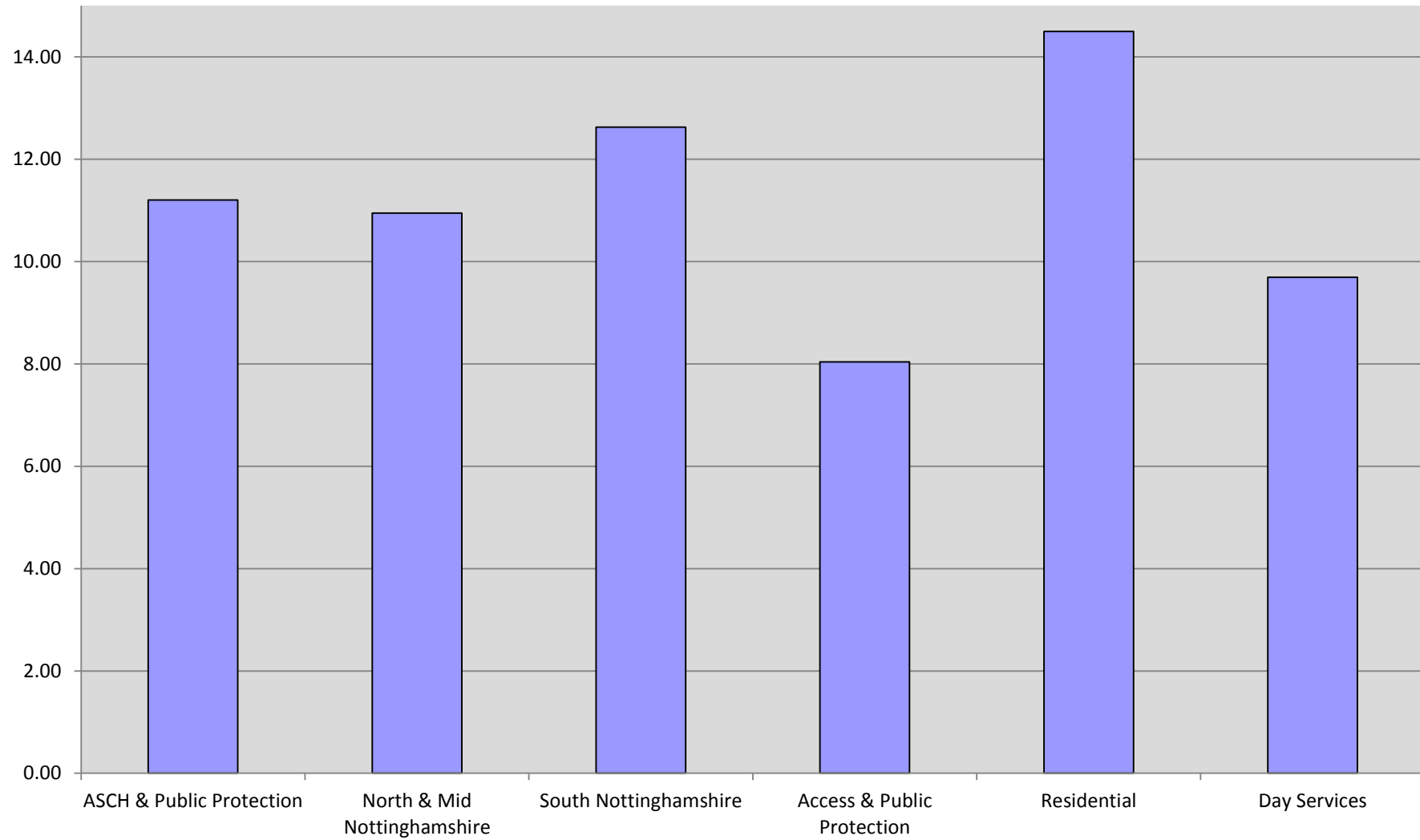


Chart 3. Policy, Planning & Corporate Services
October 2013 - September 2014

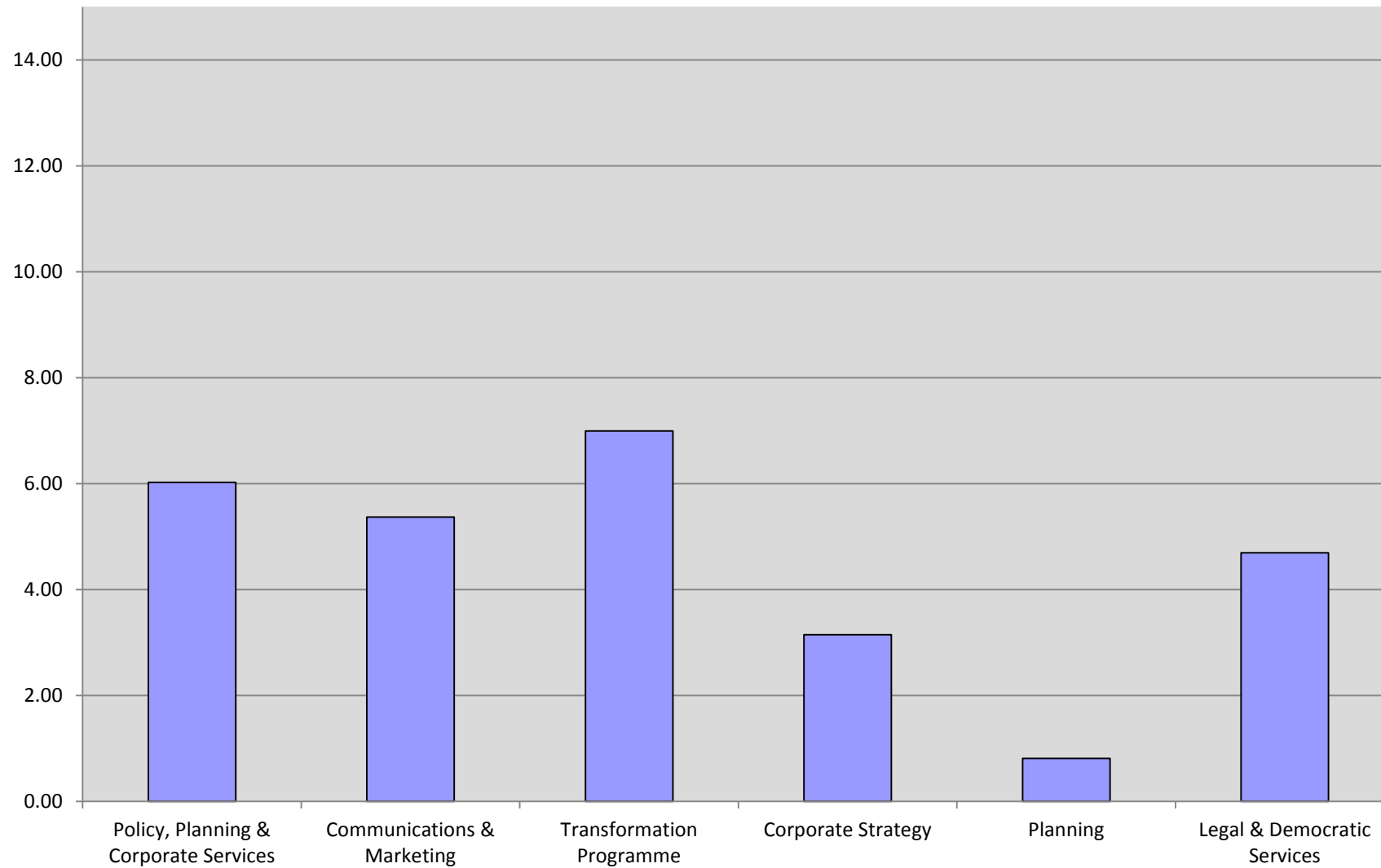
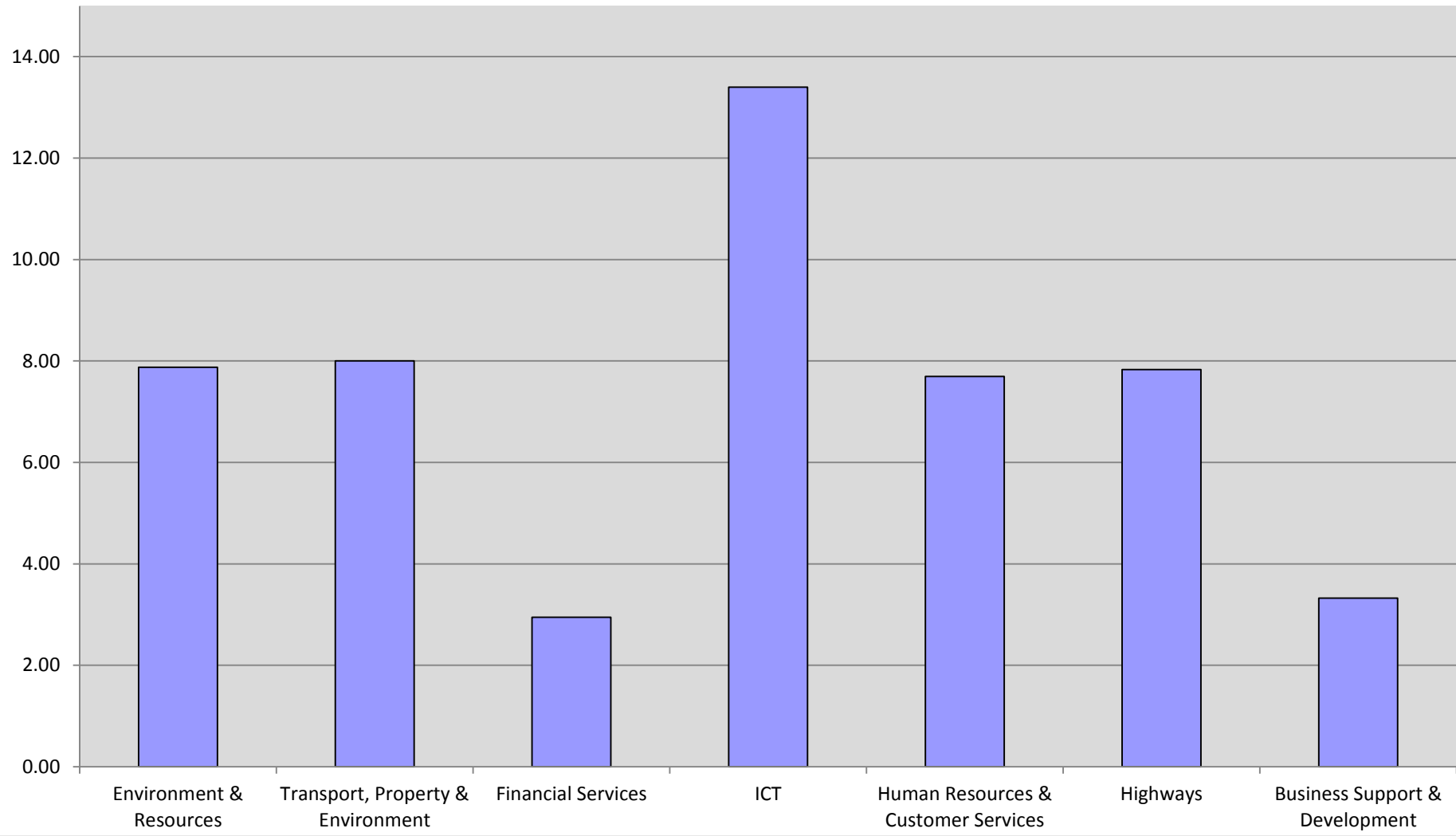
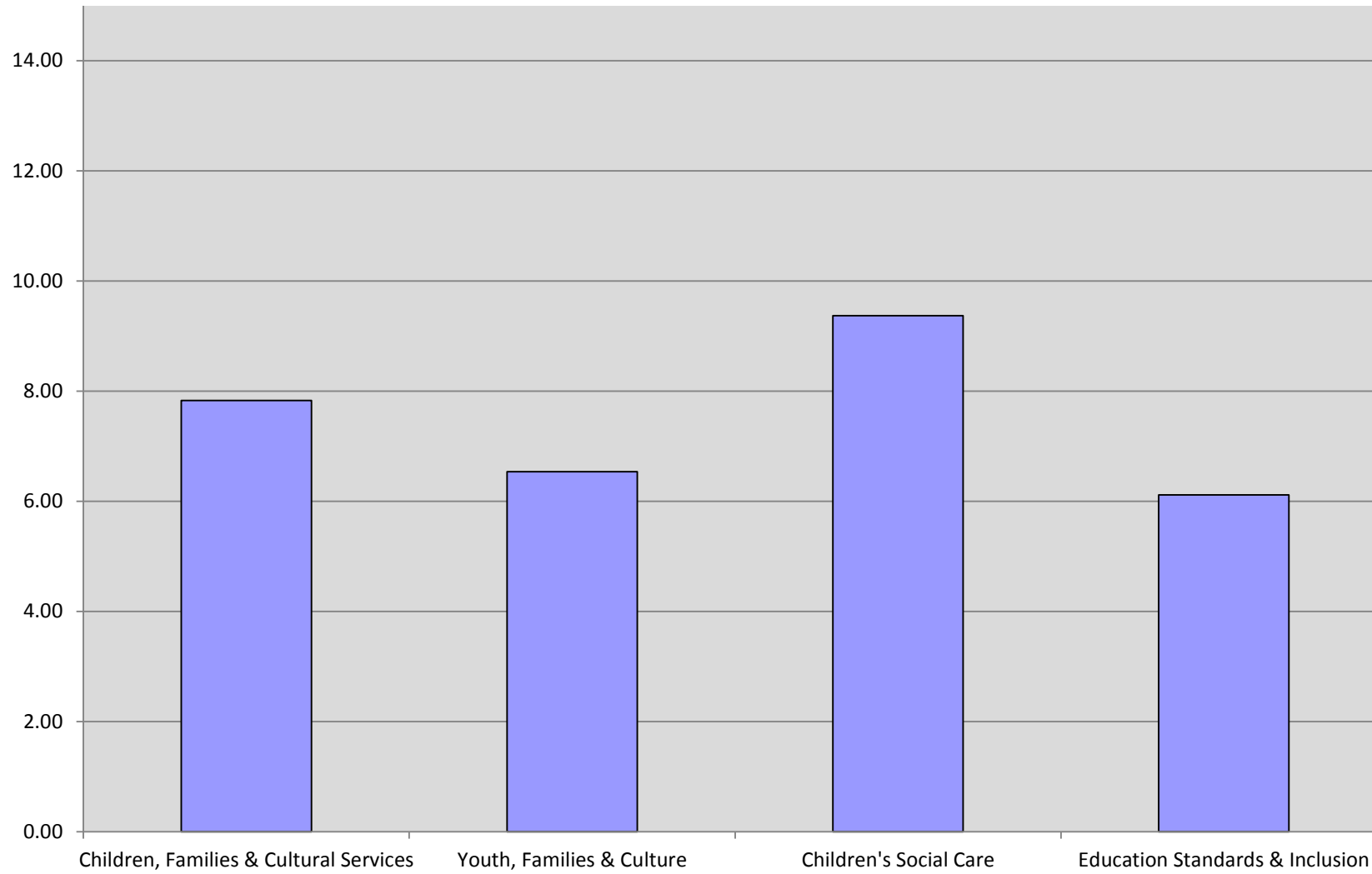


Chart 4. Environment & Resources
October 2013 - September 2014



**Chart 5. Children, Families & Cultural Services
October 2013 - September 2014**



Sickness Levels Over Rolling 12 month basis by Department

	January 2013 - December 2013	April 2013 - March 2014	July 2013 - June 2014	October 2013 - September 2014
Adult Social Care, Health & Public Protection	10.85	10.81	10.94	11.20
Policy Planning & Corporate Services	4.37	3.72	5.92	6.02
Children Families and Cultural Services	8.16	8.08	7.68	7.83
Environment & Resources	8.23	7.86	8.08	7.88
Public Health	2.81	2.96	3.07	5.22
NCC Schools	7.62	6.29	6.06	5.71
Authority	8.18	7.39	7.22	7.06
Target	8.17	8.17	7.40	7.40

Appendix B: Reasons for Absence

	Back Problems	Cold/Flu/ Sore Throat	Headache/ Migraine	Heart/ Circulation	Infection	Muscular/ Skeletal	Op/Post Op Recovery	Other	Pregnancy Related	Respiratory	Skin Disorder	Stomach/ Digestion	Stress/ Depression	Not assigned
ASCH & Public Protection	3.86%	5.70%	1.35%	0.74%	2.73%	14.54%	15.82%	15.88%	1.26%	2.40%	0.26%	8.93%	22.53%	3.98%
Children, Families & Cultural Services	4.04%	7.54%	1.80%	2.75%	1.75%	12.27%	19.76%	15.91%	2.90%	3.11%	0.21%	6.40%	20.32%	1.24%
Environment & Resources	11.41%	4.58%	2.38%	1.86%	4.40%	15.27%	18.98%	14.42%	0.58%	1.98%	0.46%	7.16%	14.94%	1.58%
Policy, Planning & Corporate Services	9.59%	11.67%	2.35%	1.16%	2.65%	6.22%	8.52%	11.25%	3.09%	3.67%	0.02%	14.07%	25.49%	0.25%
Public Health	5.15%	11.13%	0.00%	0.00%	6.96%	2.27%	40.27%	26.80%	2.42%	0.30%	0.00%	4.69%	0.00%	0.00%
Schools	6.10%	10.16%	2.37%	1.58%	3.46%	10.12%	16.73%	16.29%	1.76%	2.99%	0.17%	11.90%	16.37%	0.01%
Totals	6.90%	7.79%	2.13%	1.67%	3.31%	12.21%	17.32%	15.54%	1.61%	2.69%	0.26%	9.56%	17.84%	1.19%

Appendix C: Long and Short Term Sickness

