

**REPORT OF THE SERVICE DIRECTOR – CUSTOMERS AND HUMAN  
RESOURCES****EMPLOYEE HEALTH AND WELLBEING AND SICKNESS ABSENCE  
PERFORMANCE UPDATE AS AT 31<sup>st</sup> DECEMBER 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 performance data and reasons reporting is drawn down 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 third quarter of 2016-17, that is the position **as at 31st December 2016**. At this date the headcount of direct NCC employees was **7,528**.
4. **Appendix A** to this report sets out current performance and comparison between departments and service divisions, **Appendix B** illustrates the reasons for absence across the Council as at 31<sup>st</sup> December 2016 and **Appendix C** sets out the relative distribution of short and long term absence.
5. This data is available through the Manager Self Service element of the BMS to all NCC managers. It 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 development of the Council's Employee Health and Wellbeing Action Plan which 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 plan showing progress against current priorities as at 31<sup>st</sup> December 2016 is attached as **Appendix D**.

## **Overall Performance and Trends**

8. The average (or Mean) days sickness per employee per annum as at 31<sup>st</sup> December 2016 at **8.42 days** overall, an increase of **0.12 days** on the previous quarter.
9. The overall trend within this authority remains one of improvement over recent years from a high of **10.15 days** as at 30<sup>th</sup> June 2010.
10. Taking this into due consideration, Personnel Committee agreed on 28<sup>th</sup> September 2016 to retain the existing in year target of **7.00 days** by 1<sup>st</sup> April 2017.
11. **Chart 1** of the **Appendix A** sets out that absence levels in every service department. Senior HR Business Partners continue to work with departmental service managers through a “surgery” model to identify appropriate responses aimed at reducing absence levels in those service areas where it is most pronounced. It is intended to reinvigorate this approach by working through departmental leadership teams in the first instance.
12. The range of HR and Learning and Development interventions to enable departmental managers to work toward reducing absence levels in their service areas with the support of their HR Business Partner, is 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 this has recently been undertaken with the Catering, Cleaning and Facilities Management (CCFM) function in the Place department.
  - 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. Additional guidance on supporting employees with terminal illnesses was added to this provision in December 2016.
  - 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, an update is provided in **Appendix D**.

### **Target for 2017/18**

14. The Council's previous in year target was retained for 2016/17 at **7.00 days average per employee per annum by 1<sup>st</sup> April 2017**. This reflected the need for a target that took into account the unknown impact of the transfer out of a number of, predominantly front-line, services into alternative service delivery models during 2016,
15. As previously reported to this Committee, in-year systems review subsequently established a new, adjusted, baseline for comparative trend analysis and performance improvement moving forward.
16. The Council's performance figure of **8.42 days** currently exceeds the Council's target of **7.00 days**. Given that the Council's performance remains better than that of its benchmark comparators, it is proposed that the target for the next financial year remains at **7.00 days** average per employee per annum.
17. Whilst this would be stretching, it is anticipated that an increased emphasis on the range of HR interventions, as set out in paragraph 13 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.

### **Benchmarking**

18. The method of calculation of the mean, or average, number of days lost per fte per annum across the Council is a measure of working time lost due to sickness absence compared to the sum of the available working time made into an average for a FTE employee.
19. It compares the number of hours lost to recorded sickness absence for the previous 12 months against the available Full Time Equivalent (FTE) during the same period to determine an 'FTE days lost per FTE employee' figure. It also allows for the actual hours sickness to be taken into account giving due weight to the absence days of part time workers.
20. This methodology of calculating the time lost to sickness absence originated from the now discontinued Best Value Performance regime as required under

the Local Government Act 1999. It continues to be used nationally as a robust and consistent calculation which takes account of the varied terms and conditions and composition of local authority workforces.

21. The Council's current average performance remains comparable to that of its benchmark comparators:

- The most recently reported (2015), CIPFA benchmark average for County Councils in the benchmark co-hort is **8.40 days**.
- 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**.

### Reasons for Absence

22. The reason categories historically adopted by the Council for managers to attribute a reason for each occurrence of employee sickness absence when recording the absence on the BMS System, reflect those used by the Local Government Association (LGA). These allows for direct comparison with other local authorities and national performance benchmarking.

23. 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 3 of 2016/17 being comparable to the same period last year at **9.24%** compared to **9.32%**. As indicated in the Employee Health and Wellbeing action plan, free vouchers for seasonal flu vaccination have been made available to front line NCC employees with Public Health funding.

24. As highlighted in the previous report, from quarter 3 of 2016/17 onward the additional reporting category of "terminal illness" is now included in reporting arrangements.

- **Stress:**

25. 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.

26. Stress also remains the most prevalent cause of sickness absence in the County Council. Reported absence attributed to stress and related conditions currently stands at **18.63%** of all reported absence as indicated in **Appendix**

**B** compared with **19.08%** at the previous quarter, a decrease of **0.45** percentage points.

27. At **26.81%** of all departmental absence, levels of reported stress remain highest in CFCS, an increase from **26.05%** on the previous quarter, reflecting the particular pressures of the front line social care operating environment. In the Resources department levels have risen from **24.45%** to **26.11%**. Levels of reported stress in the ASCHPP department have fallen from **23.33%** to **21.26%** since the previous quarter.
28. 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.
29. The 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.
30. A range of learning interventions and coaching provision is available to support affected employees to maintain their resilience and attendance at work during the ongoing consultation period. Further detail is provided in the quarter 3 Workforce Planning update report to this Committee.

- **Other reasons:**

31. 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 31<sup>st</sup> December 2016 this stood at **16.35%**, a decrease from **17.73%** at the previous reporting period.
32. 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 **12.54%**. This reflects the changing nature of the council's workforce with significant numbers of front line manual workers in Property and Highways transferring to Arc and Via respectively. There are also a significant number of front line workers in Inspire.
33. Reflecting its commitment to supporting employees diagnosed with a terminal illness, this quarter saw the introduction of the additional reporting category which enables managers to record terminal illness separately and currently stands at **0.15%** of all reported absence.

### **Long term absence**

34. Managers are supported through HR and its Occupational Health service to make early interventions and ensure that reasonable adjustments are in place

to enable those employees whose illness is “long term”, that is where continuous absence exceeds 4 weeks as indicated in **Appendix C**, to return to work at the earliest reasonable opportunity.

35. 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**

36. 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.
37. 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**.
38. 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 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.
39. The current action plan sets out both ongoing work as at December 2016 and progress achieved since the last update which reflected the position at September 2016.

### **Other Options Considered**

40. The Council's approach to employee health and wellbeing is the subject of ongoing discussions with trade union colleagues through task focussed time limited joint working groups as sub groups of the Central Joint Consultative and Negotiating Panel.
41. The most recent focus of these working groups is on producing specific management guidance on supporting employees with diagnosed terminal illness and those with Dyslexia. This work is ongoing and it is anticipated that the new guide will be launched during April 2017.

### **Reasons for Recommendations**

42. The recommendations in this report will enable Elected Members to review the current levels of performance set out in this report and the actions that are in place to improve the level of performance in order to meet the Council's identified target. Regular update reports will continue to be submitted on a quarterly basis.

## **Statutory and Policy Implications**

43. 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**

44. 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.

45. 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. However trade union colleagues remain concerned that budget reductions will impact on staff resilience.

## **Equalities Implications**

46. 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.
2. Note that HR Business Partners continue to work with departmental managers to reduce absence and improve the health and wellbeing of their workforce.
3. Consider and agree a performance target for 2017/18 of an average of 7.00 days absence per employee per annum.

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**Constitutional Comments (KK 28/02/17)**

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

**Financial Comments (SES 28/02/17)**

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

**Human Resources Comments (CLG 7/2/17)**

49. 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**

None

**Electoral Division(s) and Member(s) Affected**

All