

To: Scrutiny Committee
Date: 8 October 2018
Report of: Head of Business Improvement
Title of Report: Staff Absence and Wellbeing

| Summary and recommendations | |
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| Purpose of report: | Provide Scrutiny Committee with an update on sickness absence levels and management interventions to monitor and address sickness absence across the Council |
| Key decision: | No |
| Executive Board Member: | Councillor Nigel Chapman, Customer-Focused Services |
| Corporate Priority: | Efficient and effective Council |
| Policy Framework: | Attendance Management Policy |
| Recommendation: That the Scrutiny Committee resolves to: | |
| 1. Note and comment on the report | |

INTRODUCTION

1. This report provides detailed information on the proportion of working days being lost due to staff sickness, and measures in place to address underperformance in this area.

BACKGROUND

2. The level of sickness absence across the Council's service areas has been an area of concern and focus for the Council's management team since 2008/09.
3. The Council operates an occupational sickness pay scheme that provides for a maximum of 26 weeks' full and a further 26 weeks' half pay after five years' service, which is widely operated across local government organisations.
4. Although current research indicates that sickness absence levels in the UK are at their lowest levels for the last 10 years, partly due to the impact of flexible and home working practices, public sector employers continue to experience higher levels of sickness absence than private sector employers.

5. The current average absence rates for public sector organisations is 6.1 days/FTE, compared to the average for private sector organisations of 4.1 days/FTE, according to data recently published by the Office for National Statistics (ONS).
6. The difference between these two rates is attributed by the ONS and other commentators, such as the CIPD and XperthHR, to a number of factors: public sector organisation workforces generally have an older age profile and a greater proportion of female staff than in the private sector; older workers and female staff tend to have higher sickness absence levels; public sector organisations generally try to work with and support staff with conditions that can result in long-term sickness absence; and public sector organisations have more generous occupational sickness pay schemes.

COUNCIL PERFORMANCE

7. The Council's overall sickness absence rate from 2013/14 to date is provided in the table below: -

| Year | Target Sickness Absence (Days/FTE) | Outturn Sickness Absence (Days/FTE) |
|--------------------------|---|--|
| 2013/14 | 8 | 7.90 |
| 2014/15 | 7 | 7.09 |
| 2015/16 | 6 | 6.81 |
| 2016/17 | 6 | 7.59 |
| 2017/18 | 6 | 8.69 |
| 2018/19 (as at 31.07.18) | 7 | 6.06 |

The main reasons for sickness absence are: stress/depression/anxiety/mental health; stomach/liver/kidney/digestion; chest/respiratory infection; and, other Musculo skeletal conditions.

8. It should be noted that the outturn sickness absence rates for the period up to and including 2017/18 incorporates the sickness absences of staff in Direct Services (now Oxford Direct Services).
9. Following the creation of Oxford Direct Services on 1 April 2018 a lower sickness absence target of 7 days/FTE was established for all City Council service areas, which continues to be monitored and reported to CMT and through the Corporate Dashboard reporting process.
10. The projected overall sickness absence rate for the City Council for 2018/19 is currently below the Council target of 7 days/FTE, although there a number of service areas where the current outturn rate is above this figure, based on absence data as at 31 July: -

| Sickness Absence by Service Area | Year End Projection of Absence per FTE |
|---|---|
| All Service Areas | 6.06 |
| Business Improvement | 7.98 |
| Community Services | 4.26 |
| Corporate Policy, Partnership and Communications | 0.51 |
| Financial Services | 5.49 |
| Housing Services | 7.95 |
| Law & Governance | 7.23 |
| Planning, Sustainable Development & Regulatory Services | 5.46 |
| Regeneration & Economy | 0.87 |
| Senior Management | 0.00 |
| Welfare Reform Team | 0.99 |

11. Although there are three service areas where the projected sickness absence outturn figure is above the Council target of 7 days/FTE there are also a number of service areas where sickness levels are extremely low. This raises a question as regards potential under-reporting and recording of sickness absence levels in these areas, which will be explored by the relevant HR Business Partner to ensure that the policy and procedures are being implemented consistently.

BUSINESS AS USUAL (BAU) ACTIVITIES TO ADDRESS SICKNESS ABSENCE

12. The Council has addressed sickness absence levels through a wide range of measures and interventions, including:

Ensure line managers proactively managing attendance:

- Review sickness policy, procedures and guidance for managers and staff
- Introduction of a sickness absence target rate
- Introduction of the 'Oxford Factor' which focuses management intervention on recurrent, short term sickness absences
- Management reporting on a monthly basis to the Corporate Management Team (CMT) using the Corporate Dashboard at both corporate and service area level
- Management reporting to line managers on a monthly basis

Incentives to encourage staff to attend:

- Partnership payment scheme which links the level of payment to staff attendance as well as individual staff performance (up to 31st March 2018)
- Incremental progression through pay grades linked to individual staff performance and attendance for current pay deal (from 1 April 2018)

Support to line managers

- HR Business Partners support to line managers to ensure appropriate management and, where necessary, escalation of absence casework through:
 - Home visits/pre-return to work meetings
 - Phased return to work programmes
 - Policy advice and information
 - Absence case reviews (involving trade union representatives)
 - Guidance on conducting return to work (RTW) interviews;
 - Formal absence review stage meetings
 - Final stage reviews (that can lead to capability dismissal)
 - Management referrals to occupational health service (OHS)
 - Direct referral for Physiotherapy intervention
 - Counselling support through the employee assistance programme (EAP)
 - Medical redeployment
 - Partnerships with relevant external support agencies (i.e. Access to Work, MIND)
 - Ill health and/or capability dismissal (where appropriate)

Wellbeing initiatives for all staff including:

- Employee Assistance Programme (currently through Health Assured)
- Resilience training aligned to above
- Themed activities and events for staff
- Annual Flu immunisation programme
- Free Health MOTs
- On site osteopathy

Management training in attendance management

- Development of Action Learning Sets to enable managers and teams to develop problem solving skills and share personal experiences in a safe confidential environment
- Coaching programmes including self-awareness, emotional management, effective communication, social awareness and conflict resolution to support engagement to respond and support others.

WHAT'S NEW IN 2018

13. The Council awarded contracts earlier this year to new suppliers for both Occupational Health Services (OHS) and an Employee Assistance Programme (EAP) to People Asset Management (PAM) and Health Assured, respectively.
14. The OHS contract is based on providing solution-focused advice, support and guidance for managers on absence casework, management information on OHS referrals and emerging absence trends and the development of a coherent health surveillance programme for City Council and Oxford Direct Services staff.
15. The EAP contract provides high levels of on-line and face to face counselling support for employees across a wide range of work and non-work related issues, as well as detailed management information on employee access levels by service area. Managers also have the ability to refer employees directly to the EAP and are notified when the employee has contacted the EAP service for support. Based on

the most recent management information report the level of employee 'take up' of the service is around 8% of staff. This level of take up is not only higher than under the previous contract (circa 2% of staff) but also the 'industry norm' for EAP services of 3% of the workforce.

16. A health surveillance programme for City Council and Oxford Direct Services is being developed with People Asset Management (PAM), not only to establish a 'baseline' to monitor the health profile of the workforce but also to identify underlying trends arising from absence casework and referrals to the OHS and implement appropriate early interventions.

MENTAL HEALTH IN THE WORKPLACE

17. The growth over recent years of sickness absence linked to mental health related issues, such as stress, depression and anxiety, has had a significant impact on the Council's overall levels of sickness absence rates, an experience that is common to most public sector employers.

18. This recent development in sickness absence trends has led to a number of interventions during 2018, including: -

MIND – A programme designed to raise awareness of mental health, providing managers with the ability to recognise the causes, symptoms and support options (first sessions provided in April/May)

Corporate Mental Health Programme – A series of complimentary interventions that is being developed for roll out from autumn this year which are designed to continue to raise awareness across the organisation of mental health and understanding of its impact within the workplace and increasing the knowledge, skills and support for managers and staff in coping with mental health within the workplace (to be rolled out this autumn)

Mental Health Specialists – A programme that will create 10 Mental Health and Wellbeing Specialists across the Council who, on completion of a certified training course, will deliver many elements of the Corporate Mental Health Programme and thereby provide on-going corporate resilience to support the programme (recruitment schemes to be implemented and training to be to be run to be rolled out this autumn)

Personality Disorders Training – A pilot programme is being evaluated to determine its relevance to the Council and service areas in relation to development and customer engagement needs (likely roll out date late 2018, early 2019)

19. The impact of these initiatives on absence rates for mental health related sickness is difficult to assess at this early stage. This will be monitored and feedback provided in the autumn of 2019.

Recommendations

20. Scrutiny Panel is asked to: -

- **Note** the interventions and actions to address staff absence and wellbeing as detailed in the report.

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| Background Papers: None |
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