

APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE – 8 April 2014

Title of paper:	Improving Attendance	
Director(s)/ Corporate Director(s):	Angela Probert Strategic Director of Organisational Transformation	Wards affected: ALL
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Date of consultation with Portfolio Holder(s) (if relevant)	Cllr Graham Chapman Portfolio Holder for Resources and Neighbourhood Regeneration 20 th February 2014	
Relevant Council Plan Strategic Priority: (you must mark X in the relevant boxes below)		
Cutting unemployment by a quarter		<input type="checkbox"/>
Cut crime and anti-social behaviour		<input type="checkbox"/>
Ensure more school leavers get a job, training or further education than any other City		<input type="checkbox"/>
Your neighbourhood as clean as the City Centre		<input type="checkbox"/>
Help keep your energy bills down		<input type="checkbox"/>
Good access to public transport		<input type="checkbox"/>
Nottingham has a good mix of housing		<input type="checkbox"/>
Nottingham is a good place to do business, invest and create jobs		<input type="checkbox"/>
Nottingham offers a wide range of leisure activities, parks and sporting events		<input type="checkbox"/>
Support early intervention activities		<input type="checkbox"/>
Deliver effective, value for money services to our citizens		<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):		
This report recommends a number of short, medium and long term measures to achieve improved attendance and organisational performance.		

Recommendation(s):	
It is recommended that ACOS agree to:	
1	Endorse the short, medium and long term strategic and operational interventions contained within this report to reduce sickness absence and improve employee accountability
2	Note the target reduction in sickness absence for years 1 and 2 (to bring NCC in line with Core Cities average of 9.75 fte days by the end of year 1 and a further days reduction to 8.75 fte days by the end of year 2)
3	Note that a further report detailing progress will be brought to ACOS in December 2014.

1. REASONS FOR RECOMMENDATIONS

- 1.1 The proposals presented to ACOS at this meeting aim to address identified barriers to improving attendance by recommending a range of interventions (informed by feedback from stakeholders) for the short, medium and long term.
- 1.2 As at 2013, the average rolling twelve month absence for the Council (excluding schools) was 10.63 fte days, this being the equivalent of 237.2 fte (or approximately £6m lost productivity) across our non schools workforce of approximately 5446 ftes. The previous rolling year end figure for March 2012 was 10.66 fte days – this shows that the stepped improvement made in previous years from 11.41 and 12.29 fte days respectively was not sustained. The combination of a reducing workforce through budget pressures and public demand for higher quality services necessitates the need to ensure we are as productive as possible.
- 1.3 In their annual absence survey of 2013, The Chartered Institute for Personnel and Development, estimated public sector absence at 8.7 days (7.9 in 2012). The Core Cities group, which is described as a group of ‘cities that are economically most important areas in England outside of London’ and of which Nottingham City Council is a member, are currently reporting an average of 9.75 fte days with Bristol reporting a best of 7.75 fte days. Nottingham City Council currently sits 5th in the Core Groups rankings for sickness absence as can be seen below: -

Ranking	Council	FTE days
1	Bristol	7.75
2	Newcastle	7.77
3	Manchester	10.08
4	Leeds	10.47
5	Nottingham	10.63
6	Birmingham	10.72
7	Sheffield	10.81
8	Liverpool	not available

- 1.4 Measures to tackle sickness absence to date have traditionally had a strong focus on managing through the Attendance Management Policy and have often attracted perceptions of a punitive approach, for example, the issuing of ‘notifications of concern’. There has been little or no exploration of root causes and personal accountability for wellbeing appears lost. We also know that some of our managers are finding the management of attendance challenging and complex requiring additional support from the appropriate HR teams (Casework, Occupational Health and Wellbeing).

- 1.5 The above has led to an environment where our trade union colleagues are reacting to robust management interventions creating employee relations/casework issues with a resultant increase in requests for support in all areas of Casework and Occupational Health and Employee Wellbeing but with no additional resources.
- 1.6 The current position gives rise to a number of risks to the organisation, these include (but are not exhaustive):-
- The impact on service provision to colleagues and citizens
 - The ability to operate in the current economic climate with ever tighter budget pressures
 - Damage to the psychological contract with colleagues
 - Potential increases in stress and mental health problems that could manifest later as personal injury claims and
 - Failure to understand wider demographic issues (e.g. ageing workforce)
- 1.7 The current economic climate has only added to sickness absence in the workplace being a high profile topic of interest to business, the media and wider public. How Local Authorities manage this continues to be an area of concern, as a) high levels of absence could mean that some services cannot be delivered as effectively as the public demands and b) the impact on public perceptions of value for money.
- 1.8 In determining what levers to use to improve attendance, a pluralistic approach was taken to understand the views of various stakeholders, for example, colleagues, trade unions, managers and HR colleagues.
- 1.9 The key principles used in the approach included:
- Seek first to understand - capturing intelligence and undertaking an honest appraisal of what our workforce is saying to us
 - Focus on sustainable culture change but try to identify quick wins too
 - Engage all stakeholders inc front line/workforce in an inclusive, participative and collaborative way in shaping our approach
 - Jointly analyse the current reality and what needs to change
 - Use learning from other organisations to target our energies
 - Multi angle approach – nothing ruled out
- 1.10 The proposals also take note of some wider national and notable reviews of sickness absence. The Boorman Review (NHS) - interim review paper highlights the issue of 'presenteeism' which is the loss in productivity that occurs when employees come into work but function at below full capacity. Whilst difficult to quantify, there is wide discussion that the costs associated with this loss of productivity could be even greater than that associated with sickness absence. The Boorman Review finds that 'presenteeism is greater in those who work long hours and experience managerial pressure to return to work'.
- 1.11 In her review, 'Working for a Healthier Tomorrow', Dame Carol Black, sought to establish foundations around a new vision for health and work in Britain. At the heart of this vision she identified three principal objectives:-
- early intervention for those who develop a health condition
 - prevention of illness and promotion of health and wellbeing and
 - an improvement in the health of those out of work – so that everyone with the potential to work has the support they need to do so.

- 1.12 Whilst all three objectives find relevance in our role as City Ambassadors, the first two principles provide a foundation to underpin our response as an employer. The short and medium term proposals focus on intensive and focused interventions for managing cases of ill health, whilst the longer term proposals are designed to support the review's principles of prevention and promotion of wellbeing and sustaining employees in work. They are broad to engage and appeal to a wide range of employees but still retain some targeted activities for specific groups and issues identified in the diagnostics, such as weight loss, mental health and working in partnership with Sports and Leisure to develop access to lunch time or after work exercise groups.
- 1.13 The evolution of these interventions will be monitored and reviewed for their effectiveness and where improvement is being made, any good practices will continue to consolidate and build on its strengths to roll out to other teams.
- 1.14 With the demise of the National Best Value Key Performance Indicators (BVKPIs), Nottingham City Council has been able to fall back on its membership of the Core Cities group (as mentioned above at para 1.3) for benchmarking sickness performance outcomes. Whilst there is some continuing work ongoing to establish benchmarking with 'Nearest Neighbours', the Core Cities Groups provides a useful basis for the setting of targets for Nottingham City Council. With the implementation of the short, medium and long term interventions, it is proposed that for end of year 1, the target be set at the average for the Core Cities Group at 9.75 fte days and for end of year 2, a further reduction to 8.75 fte days.

2. BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 Following the HR review in 2011, the HR casework team structure and available resources were re-aligned to the 'Nottingham Manager' model. The expectations in this model were that managers would take a lead in the management of their people management related issues with Casework support becoming more coaching and advice being more risk based. Whilst this has worked well in many areas, some managers require more one on one support than others. This is also true where managers would benefit from more dedicated support due to the absence levels and/or complexity of cases within their teams.
- 2.2 In March 2012, a temporary HR Advisor was jointly commissioned by HR and the Corporate Director – Communities to undertake some research into high sickness levels within the Adult Provision service. Key findings included; a lack of confidence in managers, no record of them having attended sickness absence training, a belief that sickness absence was becoming more complex to deal with, the need for greater Casework Advisor support and presence, considerable delays in securing Occupational Health appointments and too great a focus on procedure rather than outcomes.
- 2.3 Across the organisation (including Schools), the Casework Team provide support on disciplinary, grievance, harassment, discrimination, victimisation, bullying and employment tribunal cases as well as regularly advising on approx 130 sickness cases at any one time and whilst it has been challenging to free up resources, recognising the findings above, the team have been able target and deliver some more focused interventions. These have included Sickness Management Clinics for managers, regular attendance at Task and Finish groups and more lately, some intensive work with Adult provision by supporting newly promoted managers. Early

signs are that this approach is working – an example includes the resolution of eight long term sickness cases within approximately two months with employees either back at work or employment ended on the grounds of capability.

2.4 Likewise, the Employee Well being team has also initiated a number of changes and improvements to service delivery in the context of increasing demand which has seen a 20% increase in absence related OH referrals over the last few years to a current level of over 100 per month (out of a total of 278 per month). Improvements already made include: -

- Improved waiting time for an OH appointment from 18 days to 8 days
- Introduced an Occupational Health Advisor led service which has reduced the volume of Occupational Health Physician appointments through a robust triage system
- The appointment of a new OH Physician with greater business focus
- The introduction of early intervention physiotherapy
- A new Employee Assistance programme contract with PAM Assist offering an enhanced service to provide; an online health manager tool, a mobile app to increase accessibility and access to psychological assessments
- Attendance at Task and Finish group meetings and half hour manager clinics to support the resolution of health absence cases in Communities
- Working more closely with other partners such as Public Health, Health and Safety and external contractors.

2.5 Due to the current service configurations and constraints on resources, it has only been possible to apply the focused interventions highlighted above in a relatively small number of teams and this has, perhaps, been to the detriment of others. There is a need to extend the benefits and share the good practice through a more corporate approach that is targeted, planned and more sustainable.

2.6 On 7th October 2013, Directors Forum agreed key principles for initiating a project into improving attendance (as highlighted at 1.8 above).

2.7 Following this meeting, an advisory group was set up to meet on a monthly basis and invited representatives from:

- Trade union (UNISON, Unite and GMB)
- Manager
- Equalities
- HR Business Partner
- Employee Casework

2.8 The purpose of the group was to bring views and perspectives from our stakeholders, flagging concerns with current approaches, identifying opportunities, provide challenge and sense checking on aspects of the approach, considering and advising on the implications of any proposed changes and act as ambassadors for the project.

2.9 An all colleague and manager survey was issued to seek feedback on a range of issues such as; the application and impacts of the attendance management policy, health and well being, work life balance and ideas for improvement. Quantitative and qualitative information from internal systems (such as CARS) was reviewed and learning from previous and current approaches to improving attendance considered. Some research into practice at other local authorities and local employers to

understand what good practice looked like and their experience of interventions which have worked for them was also undertaken.

2.10 As anticipated, the diagnostic exercise undertaken identified both good practice and areas for improvement.

Good practice

- 48% of our workforce had not had any sickness in the 12 month period prior to survey
- 62% of colleagues said that they had positive working relationships
- 58% experienced that their absence was well managed
- Colleagues who undertook positive health measures were less likely to take time off due to sickness
- Colleague Opinion Survey, when correlated with the Improving Attendance survey responses indicated lower sickness where job satisfaction and motivation was higher
- 75% of Managers felt appropriately skilled in managing attendance
- 51% of Managers found that policies & procedures clear, easy and supportive

Areas for improvement

- 79% of colleagues who had experienced long term sickness stated that no 'welfare' visit had taken place
- 67% of colleagues who had received a Notification Of Concern stated that it was unfair
- 40% had used sickness to cover caring responsibilities, urgent domestic distress
- 47% of colleagues felt that they are overworked and struggling with work life balance or health issues
- 60% of Managers want more HR support
- 25% of Managers are not aware of early intervention options
- 14% of managers had not undertaken training on managing absence

2.11 Further analysis also shows that there are clusters of colleagues that are over represented in sickness data:

- Part time workers were 12% over represented in short term sickness and 5% in long term sickness
- Age group 55-64 were 10% over represented in long term sickness
- Workforce that are city residents along with colleagues below grade G were over represented in sickness data

2.12 These points highlight potential issues of an aging workforce and to potential health inequalities of city residents.

2.13 An example of the research into interventions from other local authorities, previous approaches and the day one nurse pilot showed that:-

- Day one nurse pilot - Absence reduced from 7 to 3 days per incident.
- Early intervention physiotherapy – Half of those that had used this said it helped keep them at work.
- Dedicated HR Caseworker - Quicker resolution of cases (e.g. 8 long term sickness cases within eight weeks) This is also supported by information from Leeds City Council who have adopted this approach and have improved attendance from approx 14 to 10 days within two years.

- Acknowledgement/reward for zero absence – schemes to reward colleagues but identified that these had little direct identifiable impact on sickness.

2.14 At its strategic planning day on 12th February, CLT gave consideration to the findings from the diagnostics. CLT proposed that in developing interventions, considerations should focus on: -

- Celebrating good attendance and practice
- Using targeted and appropriate approaches in the worst areas through a ‘task force’ type approach and by engaging all key partners
- Use initiatives to address specific concerns such as mental health, domestic stress, aging workforce and career pathways
- Ensuring that sickness cases do not drift and casework is addressed with increased pace together with fast and appropriate interventions
- Ensure that managers remain accountable for managing sickness

2.15 Combining learning and data has led to the development of a number of interventions for improving attendance split into short, medium and long term as detailed below.

2.16 Short Term Intervention (0-3 months)

	Action	Who	Cost
1	Establish a team of HR professionals to provide targeted interventions focussing on top 5 absence areas at any one time. This will include: <ul style="list-style-type: none"> • Working with Managers to understand and identify barriers to attendance • Developing a programme of bespoke actions in response to the specific issues within the service • Base lining current position • Delivering bespoke interventions • Monitoring improvement • Review and report at intervals 	HR Casework Employee Wellbeing	Dedicated HR attendance management advisors; 1.5 FTE from existing resources and 3.0 FTE additional resources for 2 years, initially funded through the Workforce Issues reserve.
2	Implement a review of the Employee Wellbeing Team to free up capacity to support targeted interventions (action 1 above) and health initiatives by: <ul style="list-style-type: none"> • Addition of Employee Wellbeing Admin Assistant • Enabling Employee Wellbeing Coordinators to undertake a wider range of duties to free up OHA time by redefining the role into technical assistants and redefining the role of Senior Coordinator to Senior Health & Wellbeing Officer 	Employee Wellbeing	Cost neutral due to external income generation provided by EW service. £18,236 £ 4,857
3	Enable access to PAM Assist Health Manager Programme which is an interactive online system where employees can subscribe to improve their health and wellbeing	Employee Wellbeing Pam Assist	Nil cost (already negotiated and included in base cost)
4	Work with PAM Assist to deliver a Mobile App which is available to all employees on windows, iOS and android mobiles	Employee Wellbeing PAM Assist	Nil cost (already negotiated and included in base cost)

5	Embed within the Manager induction key responsibilities around managing attendance and health and wellbeing	HR Casework Employee Wellbeing	Nil cost
6	Introduce robust GP challenges to enable early and safe return to work.	Employee Wellbeing	Nil cost
7	Recognise colleagues with zero absence at year end by the use of Gem cards or letters of commendation	People Managers	Nil cost

2.17 Medium Term Interventions (3-6 months)

	Action	Who	Cost
1	<p>Launch of a new Wellbeing Strategy on 1st September 2014, together with a forward plan of Health and Wellbeing events across the organisation. To include: -</p> <ul style="list-style-type: none"> • Development of a 'brand' for the Improving Attendance programme so that employees can connect more easily with initiatives on offer • A launch event that will maximise employee engagement as widely as possible throughout the organisation 	Employee Wellbeing and Partners	To be established
2	<p>Reinforce shared responsibility and accountability for attendance and wellbeing in the organisation through developing fit for purpose tools and guidance for both Managers and Colleagues.</p> <ul style="list-style-type: none"> • Graphical / flowcharts • Employee carry card outlining responsibilities 	HR Casework Employee Wellbeing	Majority nil cost, however publication costs to be identified
3	Address skills gaps with Managers and inconsistencies in the application of the Attendance Management policy through reviewing guidance and delivering appropriate training to managers not yet trained	HR Casework	Nil cost
4	<p>Improve support for employees to be able to better manage emergencies and caring responsibilities by:-</p> <ul style="list-style-type: none"> • Revising and clarifying approaches to special leave • Developing more flexible and planned approaches for the use of annual leave and flexi arrangements to provide additional support beyond special leave 	HR Strategy & Employee Relations HR Casework	Nil cost
5	<p>Revisit the Attendance Policy to assess: -</p> <ul style="list-style-type: none"> • Whether any changes are required • Revise guidance and/or establish FAQs to clarify perceived or actual inconsistencies and misunderstandings of application 	HR Strategy & Employee Relations HR Casework	Nil cost
6	Identification and delivery of Health screening, focussing on target groups such as over 50, manual workers	Employee Wellbeing Public Health	To be established

7	Fitness for work assessments to be developed for areas with high musculoskeletal absence	Employee Wellbeing COPE	To be established
8	Development of forward audit plan to tackle further high absence areas.	HR Casework Employee Wellbeing	To be established
9	Improved partnership working to develop joint initiatives on the delivery of core initiatives – smoking cessation, weight loss and nutrition, mental health, cancer awareness, musculoskeletal conditions.	Employee Wellbeing <ul style="list-style-type: none"> • Public Health • PAM Assist • New Leaf • COPE physio 	To be established

2.18 Longer Term Interventions (6-12 months)

	Action	Who	Cost
1	Review the need to establish a policy to support employees with caring responsibilities	HR Strategy & Employee Relations	To be established
2	Develop a business case for a targeted programme of:- <ul style="list-style-type: none"> • assessing functional skills gaps of older workers in physically demanding roles • to provide opportunities for upskilling and • to establish career pathways 	Talent and Skills	To be established
3	Enabling access to the following support groups on: <ul style="list-style-type: none"> • Mental Health • Weight loss • Menopause 	Employee Wellbeing Public Health External partners	To be established
4	Partnership working with Sports and Leisure to develop access to lunchtime or after work exercise groups available to colleagues to target key health issues.	Employee Wellbeing Sports & Leisure Hands on Health	Self funded by colleagues
5	Development and delivery of a training programme on key issues: <ul style="list-style-type: none"> • Stress • Infection control • Resilience • Back awareness • Mental Health Awareness 	Employee wellbeing	Self funded by Employee Wellbeing (via Income Generation)
6	Access for all employees to NFCE distance learning training on: <ul style="list-style-type: none"> • Cleaning principles • Nutrition • Mental Health Awareness 	Employee Wellbeing Learning at Work Ltd	Nil cost to organisation (requires employee to attend 1 x 1hr session)

7	Widen the Works Perks offering to explore the provision of the following initiatives through salary sacrifice:- <ul style="list-style-type: none"> • flu jabs • Health screening • Medical Insurance 	Rewards Team	Self funded by colleagues
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2.19 TRADE UNION COMMENTS

To be circulated.

3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 In the absence of a whole systems approach, it is likely that the only tool available to manage sickness absence would continue to be the application of the Attendance Management policy and the use of 'Notifications of Concern', and whilst these are core components of any strategy, it must be recognised that an employee's motivation to attend work is an extremely important factor in determining their level of sickness absence. The Improving Attendance project evidence based findings, along with the Colleague Opinion Survey indicate a strong correlation between job satisfaction and motivation with good attendance.
- 3.2 The proposals set out at paragraphs 2.16 – 2.18 aim to engage employees and managers through an approach that encourages shared responsibility and accountability for wellbeing in the organisation.

4. FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

- 4.1 The cost of 3 additional Casework Advisors is estimated to be £0.107m pa in year 1 (£ 0.214m over the two years). There is no provision for these costs within the current MTFP. However, these costs can initially be funded through the Workforce Issues reserve and any recoupment of costs will be used to pay back the reserve.
- 4.2 The additional cost of 1 Employee Wellbeing Admin Assistant is estimated to be £19k. The re-grade of other posts in the Employee Wellbeing team is estimated to be 5k. This will all be funded from additional external income generated through targeted intervention.

5. RISK MANAGEMENT ISSUES (INCLUDING LEGAL IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)

- 5.1 Legal Implications provided by John Bernard-Carlin
The proposals referred to in the report all seem designed to suitably support managers and colleagues in addressing health and attendance issues within the workplace. In the implementation of the proposed strategy, account should be taken of the Council's ongoing duties as an employer under the Equality Act 2010.

6. EQUALITY IMPACT ASSESSMENT

- 6.1 The proposals in this report do not recommend changes to any policy; therefore an equality impact assessment is not required. However, actions within the medium term plan, as contained at paragraph 2.17 item 4, provides scope for these to be reviewed and if any changes are required, an equality impact assessment will be completed as part of that process.

7. LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

- 7.1 None

8. PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- NHS Health and Well-being Review (Boorman Review) – Interim Report
- Working For a Healthier Tomorrow, Dame Carol Black
- Annual Absence Survey of 2013, Chartered Institute of Personnel & Development