



Report of: Director of Human Resources

Meeting of:	Date:	Ward(s):
Policy and Performance Scrutiny Committee	18 June 2019	N/A

Delete as appropriate		Non-Exempt
-----------------------	--	------------



SUBJECT: SICKNESS ABSENCE MANAGEMENT

1. Synopsis

On 14 February 2019, Members considered a **three-year** sickness trend report across the council for the period November 2015 to November 2018. It was reported at that time that the average amount of days taken as sickness absence per year by employee in the Council was **8.6** days. When the long-term cases are factored out, the figure reduced considerably to **3.2**. The aim of this report is to provide Members with an update on sickness absences for the period 1 December 2018 to 31 March 2019. Specific analysis is provided on the levels of sickness due to stress, anxiety, mental health and musculoskeletal conditions, the highest recorded reasons for absence, as well as trends within and across all Directorates (Appendix 1).

2. Recommendations

Members are asked to consider and comment on the contents of this report.

3. Executive summary

The average number of days taken as sickness absence for the period December to March per employee in the Council is **8.7** days. Long Term Sickness (LTS) forms the majority of working days lost; 8265 days during the reporting period, which equates to **3.3** days per employee.

The number of LTS cases has reduced from **375** in 2018 to **178** by March 2019. Stress, depression and mental health forms **23.4%** of all absences. The **50-64** age group forms the highest level of absences under this category. 'White' is the highest ethnicity group.

4. Challenges and risks

- It is positive news that upward sickness trend has been halted over the period, however it is too early to assume that this is a trend but we expect the steps taken so far will see a downward trend in sickness levels. Further reports will be provided each quarter to enable CMB to monitor trends in and to review action plans in each Directorate.
- The highest areas of sickness absence remain within E&R and HASS directorates, which also have a higher proportion of traditional 'manual' worker roles.
- The reduction from **375** live Long-Term Sick (LTS) cases in 2018 to **178** for this period reflects the efforts by HR and line managers to address this issue.
- The continued high medical referral rate in response to sickness absence, reasonable adjustments to support a return to work and management action under the Managing Attendance and Disciplinary Procedures, is causing an overspend in the Council's Occupational Health (Medigold) service contract.
- HR is monitoring Medigold's performance and there are concerns as to the consistency and quality of provision. There are regular contract management meetings that will seek to address this issue.
- The Environment & Regeneration Directorate continues to engage a full time agency HR Business Partner, at additional cost, to address their specific issues, which has resulted in a more robust approach to absence management and consequent reduction in Long Term Sickness in particular.
- The council has an ageing workforce, staff can continue to work after age 65 and voluntary redundancy options are limited. It is likely that this will continue to be a challenge and consideration of approaches on how to tackle this emerging issue will form part of HR's strategy for absence management going forward.
- Line management confidence in response to complex and not so transparent matters such as mental health and psychological work or personal stress (including anxiety/panic attacks/depression), terminal illnesses, reasonable adjustments, pre and post referral conversations and organisational change requires different levels of support and short or long term strategies from a variety of sources.
- Data accuracy remains an area of concern, as it is important that correct data is inputted to inform action. It will take some months to guide and train existing and new line managers on the most appropriate way to record sickness record properly on the HR system. This activity has already begun.

5. Occupational Health, Employee Assistance Programme and Corporate Health & Safety

Medigold Health Service

HR holds quarterly meetings with Medigold and our Employee Assistance Provider (Workplace Options) Account Managers to review performance data, issues and risks. Key headlines from the 1 June 2018 to 31 March 2019 report are as follows:

Total Medical Referrals	498
Nurse led consultations	49%
Physician led consultations	51%
Musculoskeletal Referrals	38%
Psychological/Mental Health	27%
Workstation Assessments	3
Largest male age group :45 – 54	15%
Largest female group: 45 - 54	21%

Service Level Agreement - Performance Against Targets at 31 March

	<u>Performance</u>	<u>Target</u>
Appointments within 48 hours	100%	100%
Appointments held within 7 days	40%	80%
Reports within 5 days	79%	80%
Cases completed within 12 days	30%	80%
Cancelled Appointments	119	
Failure to Attend Appointment	21	

Medigold's performance was below target in December 2018 and March 2019. Previous poor performance in July and August 2018 was a result of increased staff turnover, staff sickness, as well as high demand for the service following transition from the previous provider. To tackle performance concerns, Medigold increased headcount within the secretariat team, introduced an enhanced internal work in progress (WIP) report for case tracking, put in place ongoing clinician recruitment campaigns and enhanced the Customer Service team.

However, there is evidence, which Medigold does not dispute, that the continued growth and expansion of the organisation has led to a number of customer service challenges, affecting performance in councils within the framework agreement. Medigold has given assurances that performance against targets will improve by June 2019 and this will be closely monitored by HR.

Employee Assistance Programme

1 January to 31 March 2019 Performance Data

192 cases (126 corporate directorates; 66 schools)
 2.34% usage which is higher than same period in 2018 (1.41%)
 157 counselling; 101 were face-to-face (emotional health, family/relationships, workplace concerns, bereavement).

22 long term psychiatric referrals
 35% male
 65% female

Where stress was the reason for using the service, sub categories were low mood, anxiety and panic attacks.

Corporate Health & Safety Performance Data – December to March

Corporate Health and Safety ensures that the council provides a safe working environment for all staff, contractors, service users, pupils and visitors; that all council activities are undertaken in a safe manner; and the council complies with the requirements of the Health and Safety at Work Act and other relevant legislation. Data for this period is included within Appendix 1.

6. Headline Commentary

Sickness absences analysis for the period 1 December 2018 to 31 March 2019 is attached as Appendix 1. The trend in sickness absence across the council seems to be downwards overall.

Top four Short-Term sickness reasons are:

1. Stress, Depression, Mental Health
2. Infections
3. Other (Cancer, Assault, Burns, Unknown Cause, etc.)
4. Back and Neck Problems

Top four Long-Term sickness reasons are:

1. Stress, Depression, Mental Health
2. Other muscular-skeletal problems
3. Other (Cancer, Assault, Burns, Unknown Cause, etc.)
4. Back and Neck problems

Stress, Depression, Mental Health is the main reason for sickness absences across both categories. Islington as a borough has significantly more mental health needs than average in London and England. 9.2% (19,560) of people aged 18 and over in the borough were recorded as being diagnosed with depression in 2017/18, compared with the London average of 7.1%. As 27% of our employees are residents, this will influence sickness absence levels. The council uses the sickness reasons and sickness category lists approved by Occupational Health providers across the UK. There are several reasons falling under the 'Other' category (Cancer, Burns, Vaccinations, etc.).

7. Action Plan

A robust action plan was developed in February 2019 in response to the issues identified within the last report. It is too early to state with full confidence that sickness absence is decreasing overall although the signs are positive that proactive action by HR and management has led to a decline month on month during this period.

How Are We Doing Against the Action Plan?

Short-Term Action Plan (0-3 months)

- Improve sickness absence reports for managers – *monthly management information (8+ days sickness absence; 20+, 40+ days Long Term Sickness) continues to be sent to all Directors and relevant Heads of Service. These are discussed at management teams and 121s with the service's HR Business Partner to support proactive analysis and action planning*

- A full review of sickness absence data to identify risks, issues and actions – *this is managed through the monthly and quarterly reports sent to Corporate and Service Directors and HR Business Partners. Insights flow into management training events, HR surgeries and Management Newsletters*
- Review Managing Absence Procedure in consultation with stakeholders – *Work has commenced with a revised draft scheduled for consultation with trade unions, management representatives and CMB*
- Work with managers to use the Occupational Health referral system effectively and improve access to HR policies, guidance and templates on IZZI by raising awareness and reviewing intranet content – *the IZZI Occupational Health page has been updated with improved guidance on 'What Makes A Good Referral', 'Consultation FAQs' for staff and line managers, 'Cancellations and Non Attendance for Appointments Policy'. Management training and HR surgeries across council sites provide opportunities for role-play and case study exercises and guiding managers through the HR and OH systems and processes. Two HR 'surgeries' which included advice and guidance on how to manage sickness records through the HR system and managing medical referrals were held in April and May and were well received*
- Review and approve priority wellbeing initiatives and budget provision to support these – *HR continues to work with and through the Public Health Directorate, the Workforce Wellbeing Steering Group to review planned and new initiatives, evaluating outcomes at each meeting. Public Health directorate initiatives to increase awareness of mental and physical wellbeing are a positive development and this drive will continue with as much exposure as possible. A schedule of wellbeing events is planned for 2019 and are always very well attended. (Appendix 2)*

Medium-Term Action Plan (3 - 12 months to February 2020)

- Reduce Occupational Health spend through greater use of counselling and telephone consultations and reduced face-to-face appointments – *work has recently started to review spend by Directorate with OH and to rebrand the EAP service. Management training and briefings will coach staff through various scenarios and how best to manage these*
- Identify and share good practice (e.g. resilience training) with service managers – *this is being managed through collaborations with Public Health and*
- Enhance and improve access to management information – *ongoing data cleansing continues*
- Implement real time sickness reporting and enhanced self-serve options for managers to enable them to access and update sickness records - *this is being managed as part of a review of HR and Finance (ERP) systems*
- Implement improved Managing Absence Procedure – *target date = September 2019*
- Complete Environment & Regeneration Sickness Absence Reduction project and embed good practice within HR policies and training modules – *an interim HR Business Partner remains in place to manage sickness data, deliver management training and support management action under an HR policy*
- Achieve 'Excellence' level - London Healthy Workplace Charter – *ongoing for 2019*
- CMB to consider implementation of directorate or corporate Working Days Lost (WDL) target(s) - *Resources DMT has agreed that as well as reporting overall sickness data, HR will drill down into medium and longer-term sickness defined as 20+ days and 50+ days. Sickness data will be reported quarterly to CMB.*

- HR are developing short and long term sickness absence management strategies aligned to the recently approved Workforce Strategy
- CMB has approved new corporate health measures around staff sickness. These will cover average days' sickness per employee, number of staff sick, number of staff with 20+ days sickness, number of staff with 50+ days sickness

8. Financial Implications:

There are no immediate financial implications arising from this report. However, some actions included within the action plan will require budget approval through the business case approval process.

9. Legal Implications:

There are no immediate legal implications arising from this report.

10. Environmental Implications

There are no environmental implications.

11. Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The Council Workforce demographic data is attached (Appendix 3).

12. Conclusion

Managing sickness absences and maintaining a healthy work environment within the council continues to present challenges to HR, line managers and supporting service providers. The HR short/medium/long-term action plan sets out the actions, which will be taken under the direction of the Acting Director of Human Resources both to reduce sickness absences and to initiate developments to achieve and maintain a healthy work environment. Certain management actions are having an effect but there is a wider issue around approaches around certain key areas such as mental health/wellbeing and approaches to reduce Musculoskeletal issues for an ageing workforce. HR will consider appropriate actions in these areas as part of the strategy to reduce sickness absence and help build a healthier more robust and resilient workforce as outlined in the new Workforce Strategy.

Appendices

1. Sickness Absence Analysis – 1 December to 31 March 2019
2. Corporate Wellbeing Initiatives
3. Council Workforce demographic

Background Papers: None

Signed



6 June 2019

Acting Director of Corporate Human Resources Date:

Report Author: Linda Nicholas, Head of Business Partnerships & Business Analytics
Tel: 0207 527 1808
Email: linda.nicholas@islington.gov.uk

Financial Implications Author: Steve Key, Director of Service Finance
Tel: 0207 527 5636
Email: Stephen.Key@islington.gov.uk

Legal Implications Author: Rob Willis, Corporate Lawyer
Tel: 020 7527 3302
Email: Robert.Willis@islington.gov.uk