**AGENDA MANAGEMENT SHEET**

<table>
<thead>
<tr>
<th>Report Title:</th>
<th>Light-touch Review of Employee Wellbeing</th>
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</thead>
<tbody>
<tr>
<td>Name of Committee:</td>
<td>Brooke Overview and Scrutiny Committee</td>
</tr>
<tr>
<td>Date of Meeting:</td>
<td>7 February 2019</td>
</tr>
<tr>
<td>Contact Officer:</td>
<td>Suzanne Turner, Human Resources Manager, Tel: 01788 533570</td>
</tr>
<tr>
<td>Summary:</td>
<td>The purpose of this item is to carry out a light-touch review of employee wellbeing.</td>
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<tr>
<td>Financial Implications:</td>
<td>Cost of sickness absence for 2017/18 was estimated at £550,440. Poorly managed long-term sickness cases could lead to compensation payments at an Employment Tribunal.</td>
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<tr>
<td>Risk Management Implications:</td>
<td>If employees are absent, this puts pressure on remaining colleagues. Continued absence can affect service delivery and achieving corporate priorities.</td>
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<tr>
<td>Environmental Implications:</td>
<td>There are no environmental implications arising from this report.</td>
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<tr>
<td>Legal Implications:</td>
<td>Poorly managed absence cases could be challenged at an Employment Tribunal</td>
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<tr>
<td>Equality and Diversity:</td>
<td>Employees are defined as disabled under the Equality Act 2010 if they have a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on their ability to do normal daily activities. If a sickness lasts for more than 12 months then this will likely be regarded as a disability.</td>
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Brooke Overview and Scrutiny Committee - 7 February 2019

Light-touch Review of Employee Wellbeing

Public Report of the Head of Corporate Resources and CFO

Summary

The purpose of this item is to carry out a light-touch review of employee wellbeing.

1. Introduction

At the annual overview and scrutiny work programme workshop, a review of employee wellbeing was proposed. The scrutiny committee chairs subsequently agreed that the topic be included in the work programme for the current municipal year.

Due to an internal review being underway, the review was delayed.

This report introduces the council’s Employee Wellbeing and Sickness Absence Management and provides an opportunity for the committee to review the mechanisms in place.

2. Aim of the Employee Wellbeing and Sickness Absence Management

Employee Wellbeing and Sickness Absence Management has a high profile within the Council. We aim to:

- provide employee wellbeing initiatives to improve the health of the workforce;
- manage absence in line with best practice; and
- monitor and report on absence levels.

3. Best Practice in Absence Management and Employee Wellbeing

Our Human Resources Business Partners are all members of the Chartered Institute of Personnel and Development (CIPD) and have access to branch events including absence management and employee wellbeing. The CIPD and XpertHR also run annual surveys on absence levels, which are useful for benchmarking.

Our regional employers’ organisation, West Midlands Employers, also runs projects and networking events to establish and share best practice around absence management and employee wellbeing.
In addition to this, we network with other district councils in Warwickshire and surrounding boroughs to share best practice. We also benchmark our sickness absence rates with this group at the end of each financial year.

4. **Human Resources Strategy**

Our Human Resources Strategy recognises the importance of employee wellbeing. Principle 4 is to Nurture Employee Engagement, Wellbeing and Diversity. Some of the actions highlighted in the Human Resources Strategy to support this work include:

- Facilitating health and wellbeing events
- Medical Intervention to get employees back to work sooner
- Reviewing reasons for sickness absence and identifying how we can improve employee wellbeing eg offering flu vaccinations

5. **Absence Management Policy**

We have an Absence Management Policy that is reviewed every three years or more frequently if changes are required. Our policy draws on best practice, employment case law and service delivery needs. The policy covers management of both short term and long term sickness absence.

The policy covers the requirements for employees to notify their manager of their sickness absence and the need to maintain contact during their sickness absence.

Managers email a notification of the start and end of a sickness absence (called a Part 1 and Part 2 form, respectively) to the Payroll team. Sickness is logged onto our HR and Payroll system and can be viewed by both the employee and their manager.

Return to work interviews are carried out for all employees who are absent due to sickness. Wherever possible, these should be completed on the first day back at work. In the case of a longer term absence, it is best practice to carry out the return to work interview before the employee is back at work. This enables management to be confident that the employee is fit to return, can put in place under adjustments to aid their return and put into place any monitoring or review of the employee’s health. These are monitored and managers are chased where return to work interview forms are not returned to Human Resources.

We have the following triggers to take short term sickness cases through the formal stages of our Absence Management Policy:

- 3 or more occasions in a 6-month period
- 4 or more occasions in a 12-month period
- 8 days or more in a 12-month period

The first formal stage of our procedure is a Sickness Consultation Interview. At this meeting, the employee will usually be given a written warning that they need to improve their attendance record. Targets for future sickness absence will be set and arrangements for monitoring and review will be outlined. The employee will be
encouraged to improve their health and wellbeing and managers check that they are receiving all appropriate medical advice and support.

Should the employee continue to have an unsatisfactory level of sickness absence, then the case will be escalated to a Stage 2 meeting under our policy. The format of this meeting is similar to the Sickness Consultation Interview but a final written warning will usually be given.

If the employee continues to have an unacceptable level of sickness absence then the final stage of our policy is invoked. These stage 3 meetings are usually held with the Head of Service, as the likely sanction will be dismissal.

Our Absence Management Policy mirrors our Disciplinary Policy and Capability Policy in terms of levels of warnings and management can deal with a combination of absence, conduct and performance, together under any one of these policies.

The management of long-term sickness cases is a different process. If an employee’s sickness absence impacts significantly on service delivery, then, for reasons of business needs, dismissal is considered. Key factors that are considered in these decisions include:

- Length of absence – we need to make consistent decisions across the council
- Medical advice – is the employee unlikely to be fit to return to work in a reasonable timescale or are they not able to carry out the full remit of their role within a reasonable timescale?
- Consider redeployment – would they be fit to return to a different role?

We do, however, have a good track record in supporting employees back to work following a long-term sickness. We also have 28.9% of our workforce that have a disability.

For employees returning from a long-term sickness, we often agree a phased return, which could include reduced working hours/days and/or restricted job duties. The aim is to gradually increase the working hours and job duties, so the employee has a greater success in sustaining their return to work.

An internal audit is planned to review the effectiveness and efficiency of our absence management processes. This will be concluded later this year.

6. Occupational Health Advisors

The council have a contract with an occupational health provider. This provider currently holds a clinic at the Town Hall once or twice per month. They offer both telephone and face-to-face consultations. They have access to nurse practitioners and doctors.

They offer a variety of services to the council including:

- Pre-employment checks
- Referrals for advice on existing employees who have a medical condition
• Obtaining reports from GPs and Consultants
• Health surveillance eg audiometry tests
• Vaccinations eg Hepatitis
• Health at Work events
• Assessments for ill-health retirement within the Local Government Pension Scheme

Managers are able to ask specific questions in occupational health referrals to help make decisions about the employee’s continued absence.

Regular account management meetings are held with our provider to ensure we get the service we need and find out about new services that are available.

7. Medical Interventions to Get Employees Back to Work Sooner

As part of a review of our employment terms and conditions in July 2017, we established a budget to be used for medical interventions to aid employees to be able to return to work sooner. This has included physiotherapy and medical tests, where there would have been a longer wait for NHS services.

8. Reducing our Sickness Absence Rates

Our sickness absence rates are currently high when benchmarked against similar organisations. Currently these are:

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<th></th>
<th>Average Number of Sickness Days per Employee</th>
<th>% of Working Time Lost Due to Sickness</th>
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<tbody>
<tr>
<td>Short Term Sickness:</td>
<td>3.59</td>
<td>1.5%</td>
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<tr>
<td>Long Term Sickness:</td>
<td>8.56</td>
<td>2.0%</td>
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<tr>
<td>All Sickness:</td>
<td>12.15</td>
<td>3.5%</td>
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These rates are high compared to other benchmarking information:

XpertHR Survey 2017 for central and local government: 9.3 days
Neighbouring councils 2017/18: 9.6 days

However, we have identified there is a significant difference in absence rates amongst our employees in manual roles compared to those in office roles, as follows:

<table>
<thead>
<tr>
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<th>Average Number of Sickness Days per Employee</th>
<th>% of Working Time Lost Due to Sickness</th>
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<tbody>
<tr>
<td>Manual Roles</td>
<td>18.88</td>
<td>7.7%</td>
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<tr>
<td>Non-Manual Roles</td>
<td>5.22</td>
<td>2.1%</td>
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The sickness rate for our Manual Roles has however been reducing over recent years:
<table>
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<th>Period</th>
<th>Average Number of Sickness Days Per Employee in a Manual Role</th>
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<td>May – November 2018</td>
<td>18.9</td>
</tr>
<tr>
<td>2017/18</td>
<td>20.8</td>
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<td>2016/17</td>
<td>22.5</td>
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51% of our workforce are male (and they form a significant portion of our manual workforce) yet they account for 68% of our sickness absence.

There is also a correlation between sickness absence rates and age:

<table>
<thead>
<tr>
<th>Age</th>
<th>Average Number of Sickness Days per Employee</th>
<th>% of Working Time Lost Due to Sickness</th>
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<tr>
<td>Under 30</td>
<td>7.25</td>
<td>3.0%</td>
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<tr>
<td>30-55</td>
<td>10.32</td>
<td>4.2%</td>
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<tr>
<td>Over 55</td>
<td>14.60</td>
<td>5.9%</td>
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There is a strong desire within RBC management to reduce our sickness absence rates.

Our new Human Resources Business Partnering model has established monthly meetings with all managers and Heads of Service to discuss their employee issues. This includes a review of the sickness cases within their teams.

Through monitoring, and chasing, of return to work interviews and sickness consultation interviews, we are more rigorously progressing employees through the formal stages of our Absence Management policy.

We have a good record of getting employees, with a long-term health condition, back to work. In the year to October 2018, we facilitated 52 employees on long-term absence back to work, out of 60 cases, ie 87%. We have progressed long-term absence cases through our Absence Management Policy to the dismissal stage.

Whilst we have already linked written warnings to withholding annual salary increments (ie progression through a salary grade), we are currently considering withholding council sick pay (not Statutory Sick Pay) where absence triggers are hit or job performance is unsatisfactory.

We will be launching an Employee Recognition Scheme later this year. In the meantime, we are working on a communication to employees to celebrate their success stories. A couple of the success stories received relate to employees and teams with zero or low sickness absence rates.

9. **Wellbeing Appointments**

We give employees time off to attend wellbeing appointments. These include mammograms and prostate checks.
10. **Wellbeing Events**

We have run a number of different wellbeing events and initiatives. Some examples include:

- Health at Work Days – staff can drop in during the working day to get advice on a range of wellbeing initiatives and get health checks eg blood pressure tests.
- Access to a dietary advice website with daily tips emailed to employees
- Health Checks offered at low cost and on site eg bone density, cholesterol checks
- Weight Loss groups
- Lunchtime walking group

11. **Mental Health Support**

We recognise that mental health conditions are increasing nationally. Stress, depression and anxiety is our second highest reason for short-term absence and the first highest reason for long-term sickness absence (for 2017/18). It is the top reason for all our sickness absences.

Every year we run training courses for employees to help build emotional resilience and offer strategies to help their mental health. We have also run training courses for managers to help them support their employees that have mental health conditions. All employees experiencing stress are offered a Stress Risk Assessment and are offered support through a trained counsellor.

This year, we supported Mental Health Awareness Week, with a ‘Tea and Talk’ event. This attracted many employees who learnt a lot about techniques to improve their mental health. Also a chance to share with other employees experiencing mental health difficulties.

We are establishing a group of Mental Health First Aiders. Training for the 10 employees taking on these roles took place in November 2018. Employees will be able to meet with a Mental Health First Aider to get support and advice on their mental health.

We have run awareness events and training in Dementia and a number of our employees are now Dementia friends.

12. **Including Councillors in Wellbeing Events**

We extended the invitation to attend the ‘Tea and Talk’ event to our councillors. We will be including councillors in future wellbeing events.
**Name of Meeting:** Brooke Overview and Scrutiny Committee  

**Date of Meeting:** 7 February 2019  

**Subject Matter:** Light-touch Review of Employee Wellbeing  

**Originating Department:** Corporate Resources  

**DO ANY BACKGROUND PAPERS APPLY**  

- [ ] YES  
- [x] NO  

**LIST OF BACKGROUND PAPERS**

<table>
<thead>
<tr>
<th>Doc No</th>
<th>Title of Document and Hyperlink</th>
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