



Absence & Absence Management Update for Scrutiny Committee

Organisation Development & People



Essex County Council

Introduction & Agenda

The Corporate Policy and Scrutiny Committee has requested an update on ECC sick absence levels including cause breakdown, associated casework and support in place for both managers and employees as well as some supplementary information. This presentation covers off our performance in the 18/19 financial year, highlights key issues and demonstrates the support in place and planned activity to address some of our key issues.

Agenda

- Key Issues / considerations
- Sick Absence Data - Current sick absence levels & causes
- Casework Update
- Limited Assurance Internal Audit – recommendations and status
- Support for line managers
- Support for employees
- Current / future planned activity - addressing key issues

Key Issues / Considerations

There are some key issues around sick absence that we're taking a closer look at. Later on in this presentation we will explore how we're addressing some of these key themes.

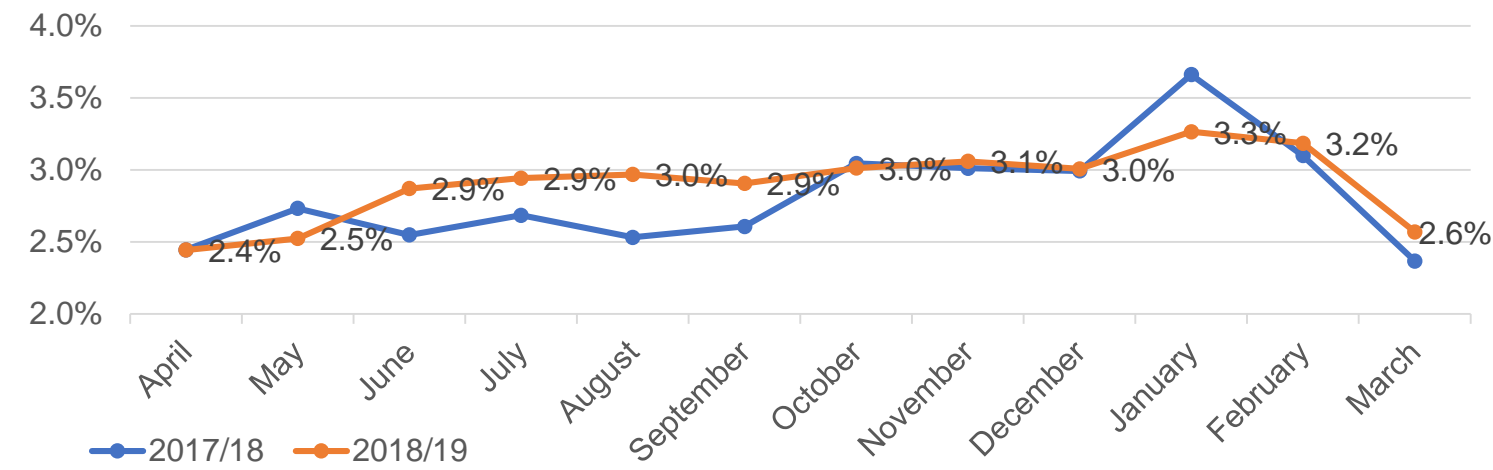
In 2018 Internal Audit found limited assurance based on poor technology and management behaviours towards recording and managing sick absence.

While our overall sick absence is low, the internal audit in 2018 identified that not all sick absences are recorded and is therefore not a true reflection of ECC sick absence performance.

33% of all recorded sick absences were attributable to **Stress, Depression and Mental Health**. In 2018/19 we saw a 7.6% year on year increase to absences for this cause.

The management of individuals triggering the absence processes to formal casework are lower than expected and therefore improved guidance for managers around the management of sick absence is required.

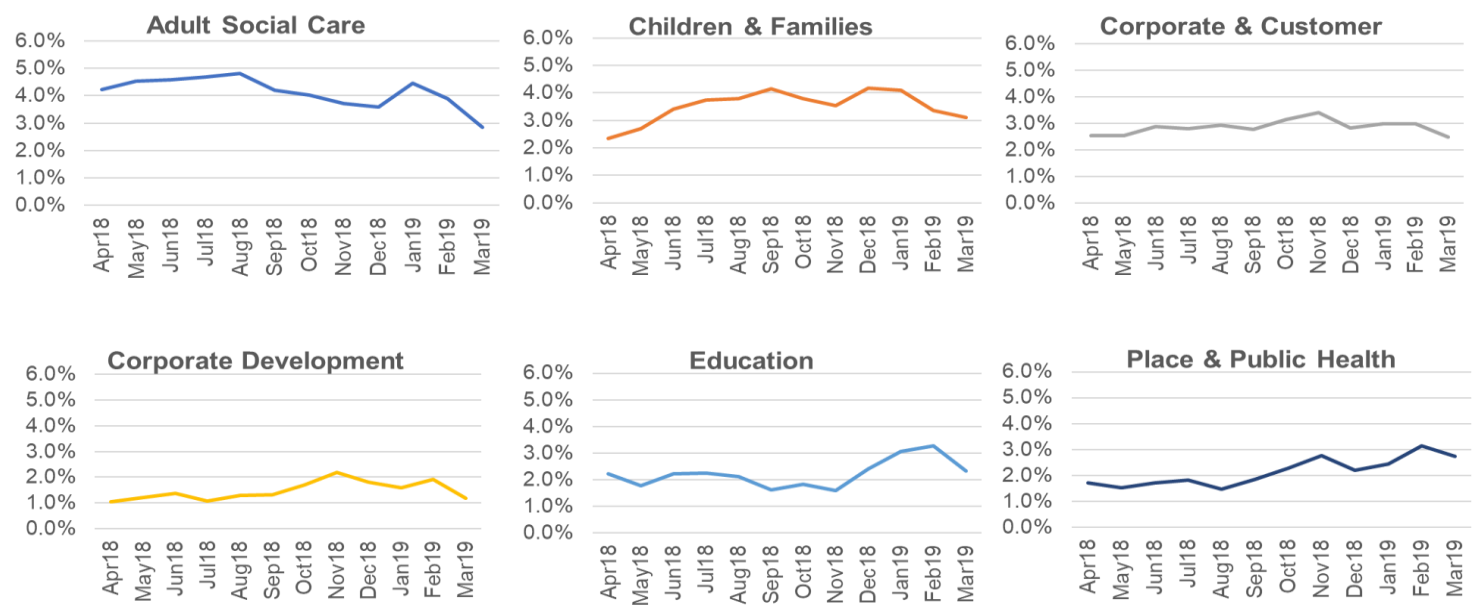
Essex County Council Sick Absence Levels



The overall sick absence rate for all ECC employees is currently 2.6% and over the last year has been averaging 2.4%

We compare favourably against other local government authorities with Xpert HR showing a comparable industry sick absence rate of 3.1%

Our absence rates do have season patterns as with most other organisations. The summer of 2018 (June-Sept) was higher than previous years with both internal (Org design) and external influences (Weather) likely having an impact.



These numbers must be considered alongside recent internal audit findings highlighted in the key issues which may lead us to believe there is an element of under-reporting.

Essex County Council Sick Absence Causes (Full Year 18/19)

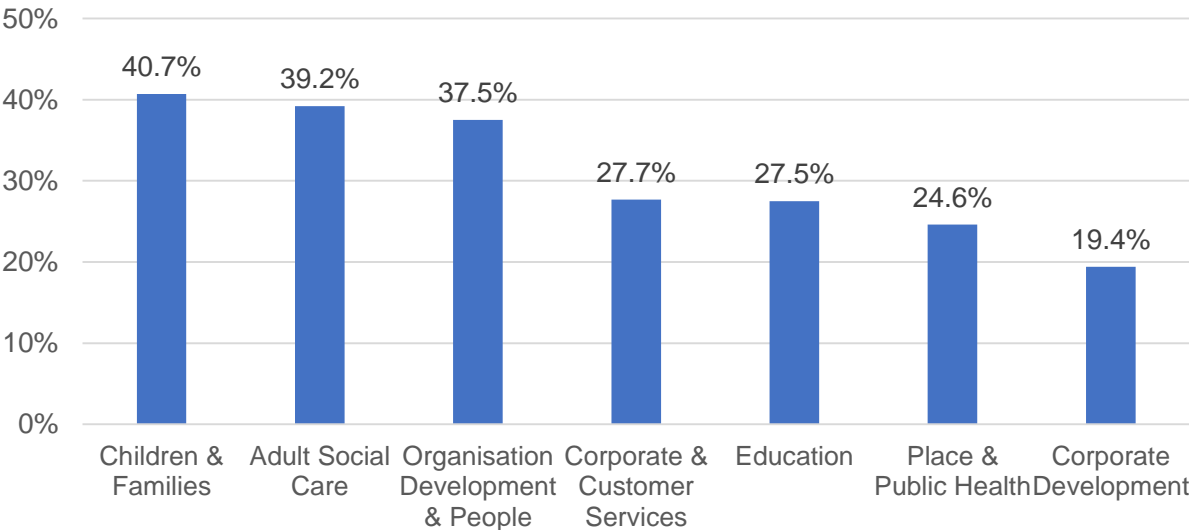
Reason for Absence	2018/19	vs. Last Year	2017/18
Back and Neck Problems	5.0%	-0.8%	5.8%
Cancer	5.4%	+1.6%	3.7%
Chest, Respiratory	5.0%	-2.1%	7.1%
Eye, Ear, Nose, Mouth/Dental, Throat	2.7%	-0.2%	2.9%
Genito-Urinary/Gynaecological	2.7%	+0.4%	2.3%
Headache and Migraine	2.5%	-0.7%	3.2%
Heart, Blood Pressure, Circulation	2.2%	-0.5%	2.8%
Neurological	3.0%	-1.1%	4.1%
Operations, Including Recovery	11.1%	-3.1%	14.2%
Other/Unknown	0.0%	0.0%	0.0%
Pregnancy Related	2.1%	+0.7%	1.4%
Skin	0.6%	+0.4%	0.3%
Stomach, Liver, Kidney, Digestion	6.7%	+0.4%	6.3%
Stress, Depression and Mental Health	33.3%	+7.6%	25.7%
Upper or Lower Limb Problems	8.8%	-0.5%	9.3%
Viral Infection	8.8%	-2.0%	10.8%

The table on the left demonstrates the causes of sick absence for the year ending March 2019. The red or green status in the second column indicates the change from the previous year.

The biggest cause of sick absence remains Stress, Depression and Mental Health which has also increased by 7.6% since last year.

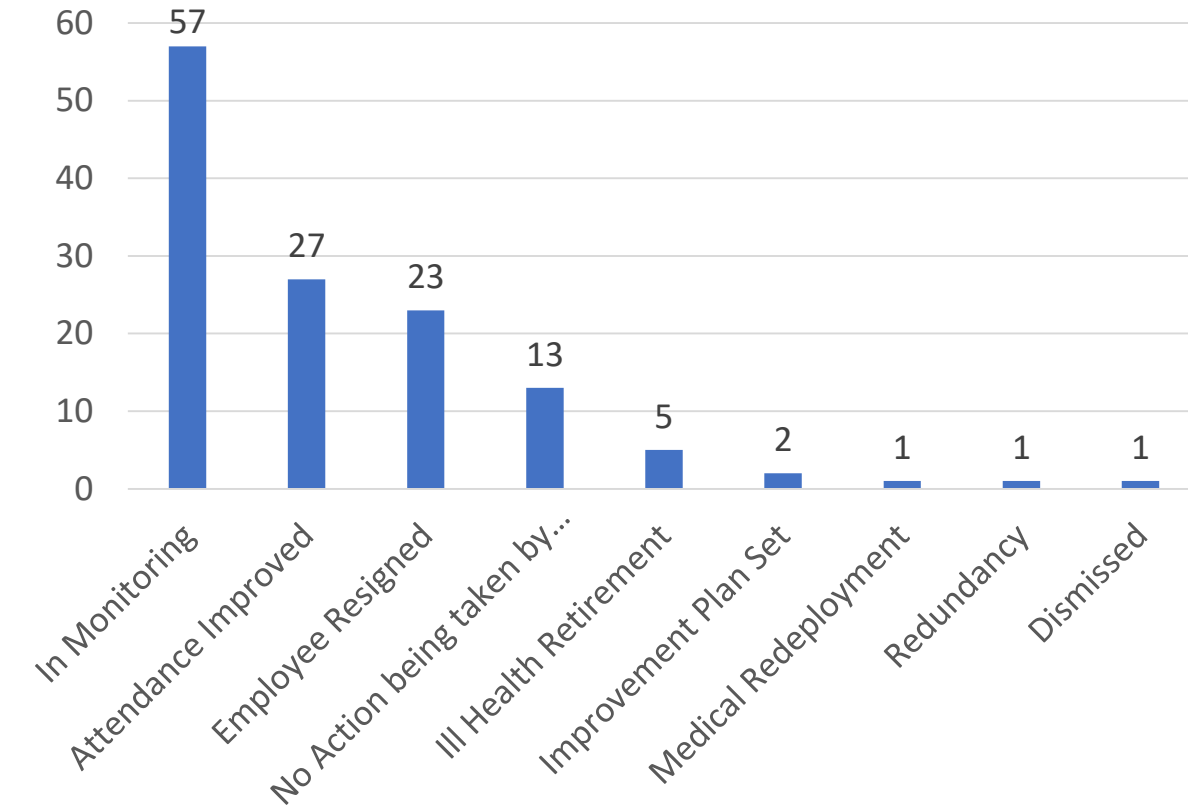
Social care functions have the highest absence attributable stress, depression and mental health.

% of all absences attributable to Stress, Depression and Mental Health
(By Function)



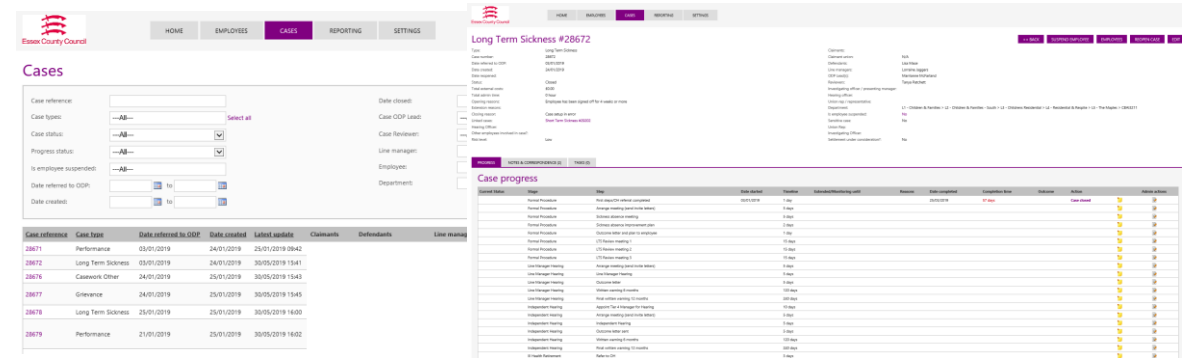
Sick Absence Casework (Full year 18/19)

The processes for managing casework is split between short term sick absence vs long term sick absence. In 2018 there were 180 formal cases for sick absence in total. The following graph shows the % of outcome of all cases in 2018, noting that there are still 57 case open and in monitoring status.



*Formal cases don't include those cases managed and closed informally

In Early 2019, ODP implemented new technology to better track casework. The new technology helps us stay on track, provides clear case ownership and enhanced reporting.



Managing short term sickness

The line manager will receive an email from People and Pay when their employee has been off sick for:

- 3 times in the last 12 months
- 10 days (in a row or added together) in the last 12 months.

Managing long term sickness

When the employee is anticipating being off work for four weeks or more in a row

Limited Assurance Audit

In 2018 there was an audit on Sick Absence of which the outcome was limited assurance. There were 3 major and 2 moderate risks. ODP continue to mitigate risks and further activity is planned through ODP and Technology services to further mitigate risks or entirely close the risk.

Recommendation	Risk Rating	Update
Completeness of Return to Work Action	Major	This risk relates to system notification to line managers when a return to work meeting needs to happen. As this is a change to core TCS functionality this requirement is built into the ERP Options work that technology services are currently working on. Periodic reporting is now in place via a manager workforce information dashboard.
Notification / reporting to line managers on compliance	Major	ODP are currently producing reports which highlight where employees are not meeting the absence management standards (triggers) for both short and long term absence. Line managers will then be proactively contacted where an absence management case has not been opened. This is a planned line manager notification as part of new Core HR technology.
Inconsistent / incorrect usage of TCS	Major	Reporting is produced by ODP for line managers to see non-usage of TCS to book annual leave. Reminders to book leave are sent out at periodic points e.g. Christmas shut down day.
Consequences of TCS for non recording sickness absence	Moderate	To be addressed through ODP activity on Employment Standards (Update on this area is included later in this slide deck).
Mandatory use of TCS for requesting and recording Annual Leave	Moderate	To be addressed through ODP activity on Employment Standards (Update on this area is included later in this slide deck).

Support for Employees



Employee Assistance Programme

The EAP has been in place since January 2018.

In the last 12 months has provided 401 sessions of support.

The highest use reasons are personal support & stress.

Inline with absence cause data, social care functions are the highest users.

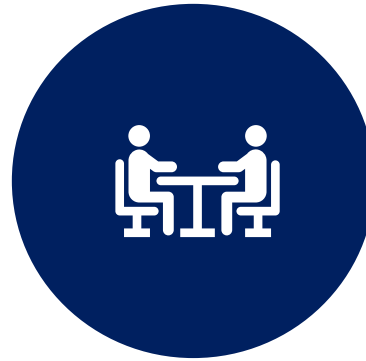


Mental Health First Aid Training

116 Mental Health first aiders trained.

184 line managers attending full day course.

185 employees attending half day awareness course.

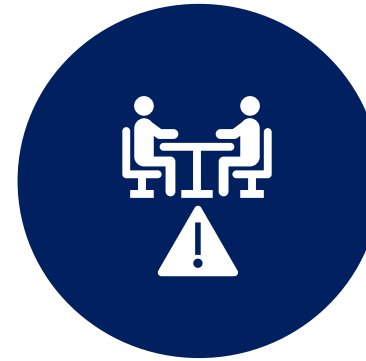


In-House Counselling Team

The in-house counselling service has supported 323 employees.

The service was changed in 2018 to be based on line manager referral with the implementation of the EAP.

50% of referrals where due to personal support and 15% where for work related stress.



In-House Counselling Team: Critical Support

Critical support team for on-site support to vulnerable areas of the council.

The main areas of support has been for coroners, business support and the travellers unit.



Stress Awareness Month in April

Stress awareness month in April was promoted through employee communications and we re-launched the stress risk assessment tool.

https://intranet.essex.gov.uk/Pages/Managing_stress_in_the_workplace.aspx

Support for Line Managers



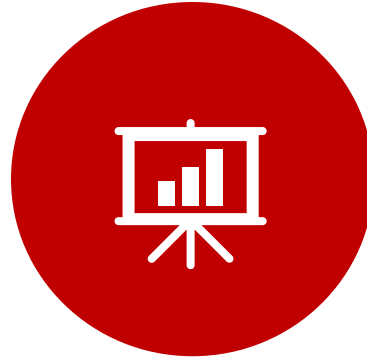
People Service Centre

Access via portal, phone and email to the people service centre for advice and low-medium complexity casework as well as the front door to Occupational Health & Counselling



People Consultancy

People consultancy service for complex casework and line manager support



Absence Data (Workforce Information)

Refreshed workforce information tool to give up to date information on sick absence performance, causes and triggers for casework launched to all managers in June 19. (Further information later)



Occupational Health

Occupational health service for independent assessments, counselling referrals and employee assistance programme. Also for services such as access to work and workplace/equipment evaluations



Intranet Support

Intranet site for both employees and line managers to access for process, policy and advice.

https://intranet.essex.gov.uk/Pages/Sickness_Absence.aspx

Planned activity to address Key Issues

Our People Plan (Workforce Strategy) which was launched in 2018 called out several areas that will directly or indirectly affect absence management. Some of the areas have already been delivered such as better technology to track and manage casework, however some areas are in our work plan over the next 24 months.

Employee Standards Review

- A review of our management policies, practices and guidance

Wellbeing strategy

- Ensuring that what we offer our employees in terms of wellbeing offer is fit for purpose

People Analytics

- Making sure our data is visible to managers, that it drives an evidence based approach toward decision making and ensures compliance to policy

People Technology

- Introduction of new technology that is fit for purpose and enables a more productive way of working and that employees and managers can easily manage their time and absence in an effective and efficient way with automated links to payroll

Employee Experience

- Making sure that our employees have a good experience when they come to work every day, that they are enabled to work more productively and ensuring ECC is a desirable place to work

We will take a look at some of the areas of directly affect absence and absence management over in the next four slides.

Planned activity to address Key Issues - Employment Standards

We're designing new way of working in terms of employment policy, guidance and standards which moves away from restrictive policies and procedures to fluid frameworks offering greater local autonomy to manage cases consistently but taking account of all circumstances.

This scope will cover all employment policies including absence management

This will reflect the culture we need to deliver our organisational strategy

This will cover support for the employee as well as clear standards on reporting absence, return to work interviews and attendance levels

We will augment this with enhanced use of metrics and learning interventions where managers need support

We're looking to have this in place by January 2020

Planned activity to address Key Issues - Wellbeing Strategy

We're developing a new wellbeing strategy that's focused on physical, mental and financial health of our employees. It will focus on employee engagement in and employee ownership of wellbeing, the importance of the working environment on wellbeing and how active leaders support wellbeing.

In April, ODP ran a corporate wellbeing survey which attracted 800+ responses from all ECC functions. Key themes from the survey included:

Generally positive
perception of
immediate line
management

Good support and
collaboration between
team members

Employees feel
confident, clear
thinking and equipped
with the right skills for
their jobs

Working environment
is not currently
supporting employees'
wellbeing

Lack of
knowledge/awareness
of wellbeing activities

Employee personal
development not seen
as being supported or
valued

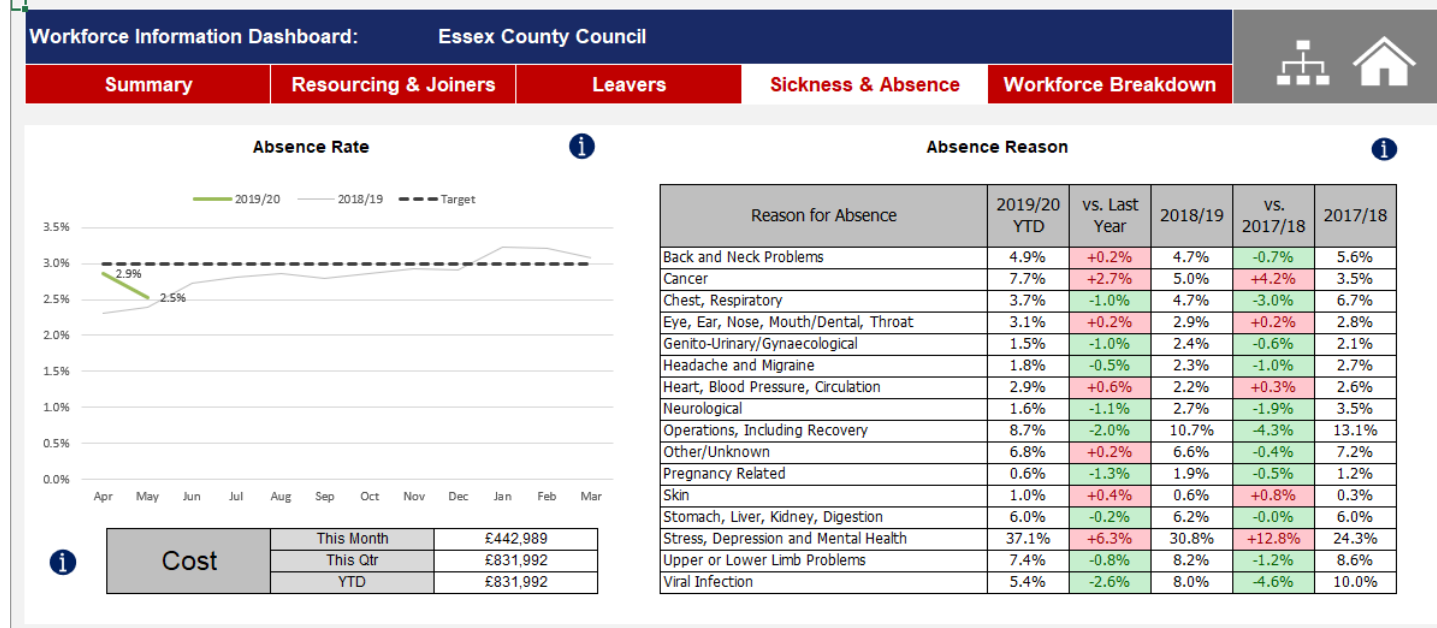
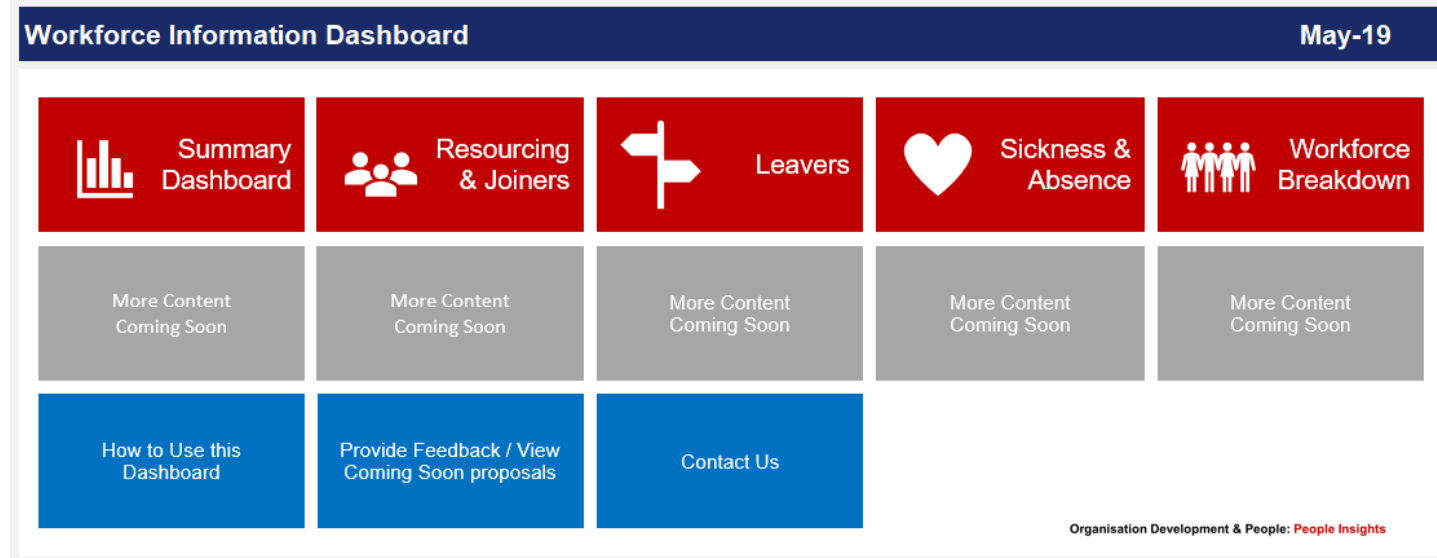
We will now use this insight to help design and develop our wellbeing strategy including fit for purpose service offer. We're aiming to launch the new wellbeing strategy in the Autumn.

Planned activity to address Key Issues – Workforce Information

In June we launched a new workforce information dashboard to all line managers at ECC. This dashboard looks at broad workforce related subjects including sick absence.

The dashboard will be continuously developed however by the autumn it's expected to have the following sick absence data at all levels of the ECC hierarchy for the following measures

- Absence Rate
- Cost of Absence
- Absence Reason breakdown
- Multiple occasions of absence
- Length of absence
- Return to work completed %
- Stress, Depression & Mental health absence occurrences, duration and proportion that are work related
- Pattern Absence



Planned activity to address Key Issues – People Technology

Our current technology is not fit for purpose. The time and absence reporting is part of our payroll/finance enterprise resource planning system (TCS) and does not deliver key areas of functionality. While investment could be made to change the current system, the changes would be costly and take significant time to implement. Therefore it's unlikely we would see any return on investment over the remaining two years of the contract. ODP already working with Technology Services to identify the requirements that will need to be considered when procuring the next generation of technology. For example:

A Core HR module / System that is easy and efficient to use that can be configured and controlled by ECC to make quick changes

Enhance notifications line managers e.g. when triggers are met with automatic links to other areas of the business (e.g. automatic deduction of payroll, casework setup etc) to drive productivity

Move away from a one size fits all process (e.g. Education will want to record time and absence in a different way to corporate services – hours vs days)

Conclusion

We know that there are areas of concern within absence and absence management. The limited assurance audit demonstrated that our technology is not fit for purpose and some of our management capability & behaviours need addressing. Through our data we know that mental health is not just a national concern, it's affecting our employees at Essex County Council.

Through the work we're doing highlighted throughout this presentation and our wider workforce strategy, we're confident that we can address these concerns.

We've already stated addressing some of these such as better data accessibility for all managers alongside a proactive approach to items such as absence triggers vs casework. Our new wellbeing strategy will provide a strong, targeted response to our evidence on mental health and broader wellbeing.

Through the work we're doing with technology services, we know we can define a much better technology provision for all employees and ODP will keep developing what the Core HR module will look like and influence any future decision making around the core HR technology functionality.

By request, we will provide an update on absence & absence management to scrutiny committee .