

Report to Overview and Scrutiny Committee

Sickness 2019/20 and other indicators of corporate health

The Overview and Scrutiny Committee is asked:

Consider the information provided in this report and advise officers:

1. If the committee would wish to receive a further update in a year's time
 2. If any further information is required
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Date of O&S meeting: 8 September 2020

Chair of O&S Committee: Cllr Noel Ovenden

Relevant Portfolio(s): Cllr Alan Pickering – Portfolio Holder Human Resources and Customer Services

Summary: This report provides annual information on sickness absenteeism for 2019/20 and wider data to provide a picture of general corporate health.

Exempt from Publication: **NO**

Background Papers: none

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Sickness 2019/20 and other indicators of corporate health

Introduction

1. This report provides members with sickness absence figures for the financial year 2019/20 together with data reflecting wider corporate health including turnover, disciplinary and grievance data.
2. Data is presented in the following sections in order to provide more in-depth information to Members for their review:
 - Sickness
 - Turnover
 - Employment relations
3. Similar data is provided to Directors and Heads of Service on a six-monthly basis in order that the Council's senior management team have an up-to-date overview of key HR Metrics.

Sickness:

4. The reported figures for Ashford Borough Council employees are from sickness absences recorded on the iTrent Payroll and HR system. The figures are presented as the average number of working days lost to sickness per Full Time Equivalent (FTE) employee during the year, starting 1 April.
5. The council's level of annual sickness absence is compared with previously reported figures, nationally reported figures and some neighbouring authorities.

Sickness absence per employee 2019/20

6. A total of 3,950 days were lost to sickness absence across the 12-month period from 1st April 2019 to 31st March 2020. Based on the average number of 433 Full Time Equivalent (FTE) employees across the 12-month period, the total amount of working days lost due to sickness equals 9.1 days per FTE. This is an improvement on the previous year, which was 10.8 days per FTE.
7. 340 employees incurred sickness absence periods during the period 2019/20. 30% of employees did not incur any periods of sickness absence during the 12-month period. This figure remains broadly constant when compared to last year's figure of 31%.
8. Of the 3,950 days lost due to sickness absence within the period, 57% of this absence is categorised as short-term absence lasting up to and including 19 days. Therefore 43% of absenteeism is categorised as long-term. The longest period of absence was 154 days.
9. The report deals with issues relating to long term sickness absence and short term sickness absences separately as the nature of these two types of sickness

absence, and the way in which they are supported, differs significantly. It is therefore useful to consider the average days lost in each category.

- Average days lost due to short-term sickness absence equals 5.2 days per FTE.
- Average days lost due to long-term sickness absence equals 3.9 days per FTE.

Comparison with previous years

Description	2017-2018	2018-2019	2019-2020
Number of days lost due to sickness absence across the 12 month period from 1 st April to 31 st March	3,495	4,558	3,950
Total amount of working days lost due to sickness within the year per FTE	8.56	10.8	9.1
% of employees taking no time off work due to sickness absence	29%	31%	30%
% of short term absence (under 20 days)	55%	44%	57%
% of long term absence (20 days or more)	45%	56%	43%
Number of cases of long term sickness absence	27	39	34

10. The percentage of employees incurring sickness absence has broadly stayed the same however we have reduced the level of long term sickness in the year to 43% (down from 56%) as a percentage of overall sickness levels in the council.

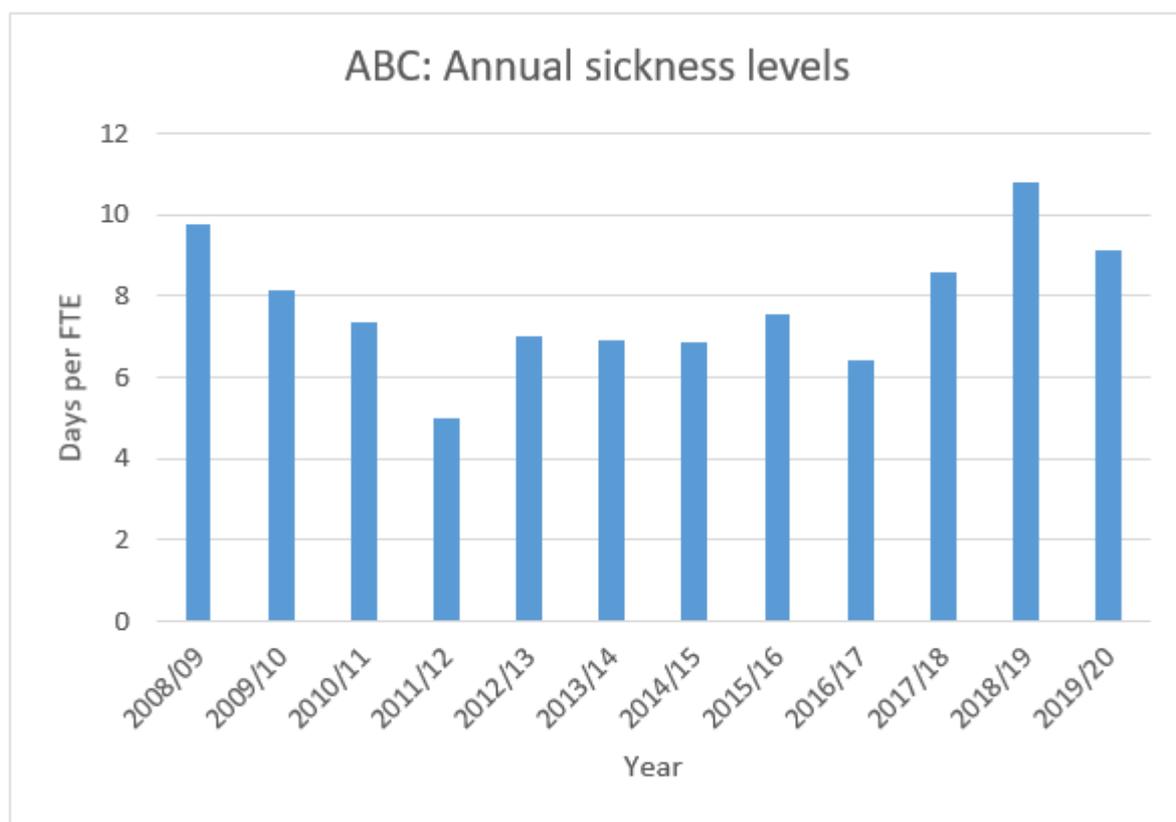
Reasons for all sickness

All Absence Reasons	% of Total Absence
Stress, depression, anxiety, mental health, fatigue	27.04
Other	11.62
Cold, Influenza, Fever, Pneumonia	9.41
Back and neck problems (inc. Sciatica)	7.70
Other musculo-skeletal problems (inc. arthritis)	6.99
Virus (inc. e.g. vomiting, diarrhoea, food poisoning)	5.94
Chest, respiratory	5.31
Stomach, liver, kidney, digestion	5.02
Phased return	4.46
Eye, ear, nose, throat, tonsillitis, glandular, mouth/dental problems, sinusitis	4.38
Surgery, surgery recovery, hospital appointment/procedure	3.19
Headache, Migraine, Vertigo	2.28
Heart, blood pressure conditions, circulation	2.04
See Doctors Certificate	1.30
Infections	1.23
Pregnancy related	0.99
See Self Certificate	0.47

Genito-urinary; menstrual problems	0.34
Fracture, injury, accident outside of work	0.20
Sickness	0.10

11. Mental ill health (including stress) accounts for 27% of the council's total absence with 21% being long-term sickness (lasting more than 20 days). This is an improvement on last year where long-term rates for poor mental health were 27%.
12. The national average for mental ill health this year is 59%. (43% last year). We have a comprehensive wellbeing programme to support mental wellbeing, which will have helped to improve our figures this year.
13. The current position in relation to the 34 employees who were absent long term is as follows:-
 - 33 employees have either returned to work or left the employment of the council
 - 1 is currently off with a new, unrelated, long term condition
14. The following chart shows the number of days' sickness absence per employee (FTE) for each financial year since 2008/2009.

Chronological Comparison

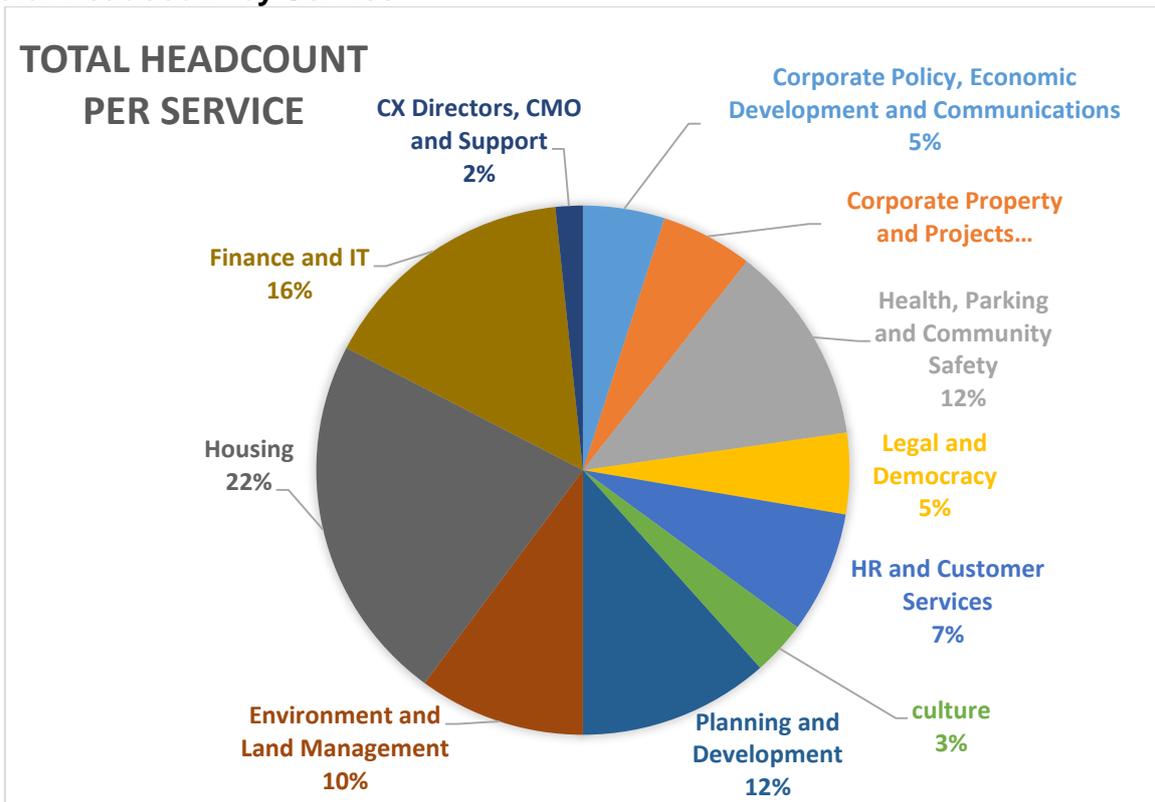


Service Comparison

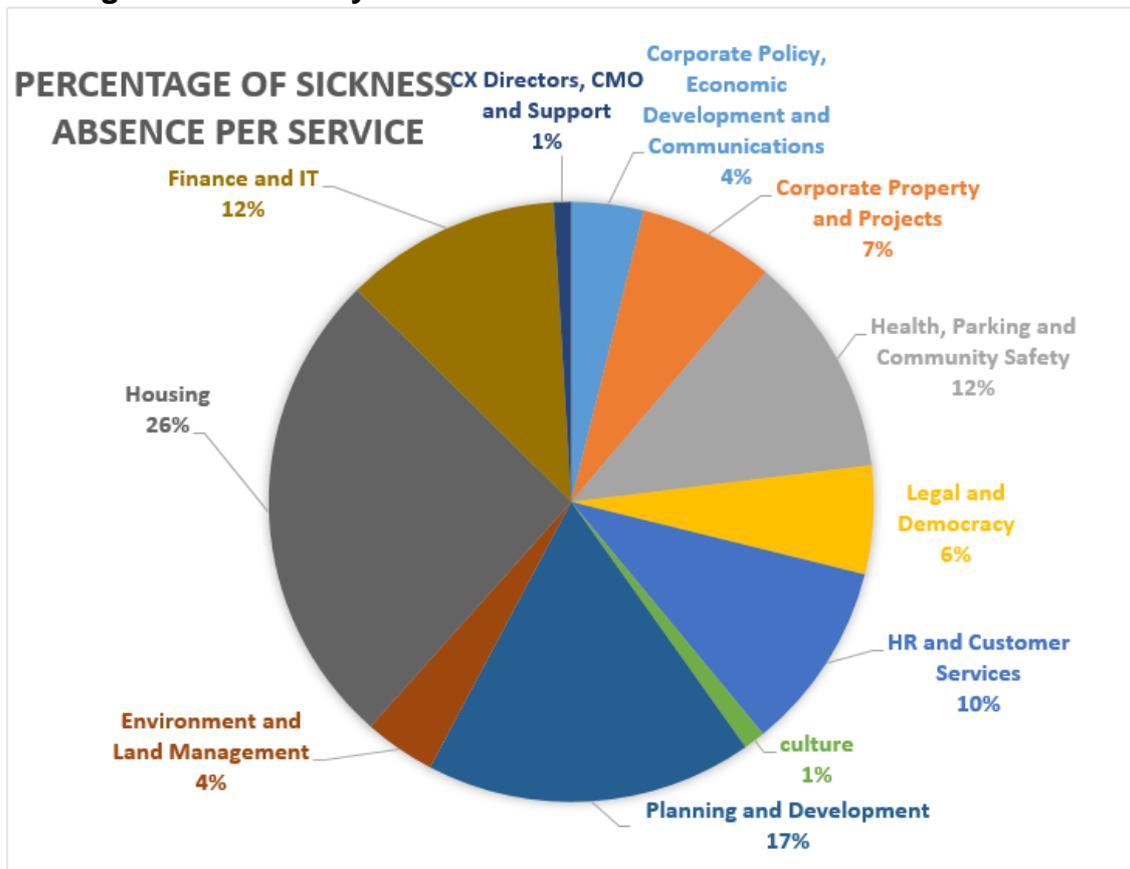
15. The following charts show how headcount is distributed across the services, and how sickness is distributed by service. The charts should broadly show similar percentages. The largest variances are Environment and Land Management

who, despite having 10% of staff, account for just 4% of the sickness. Planning & Development have 12% of staff but have 17% of the sickness.

Total Headcount by Service



Percentage of sickness by Service

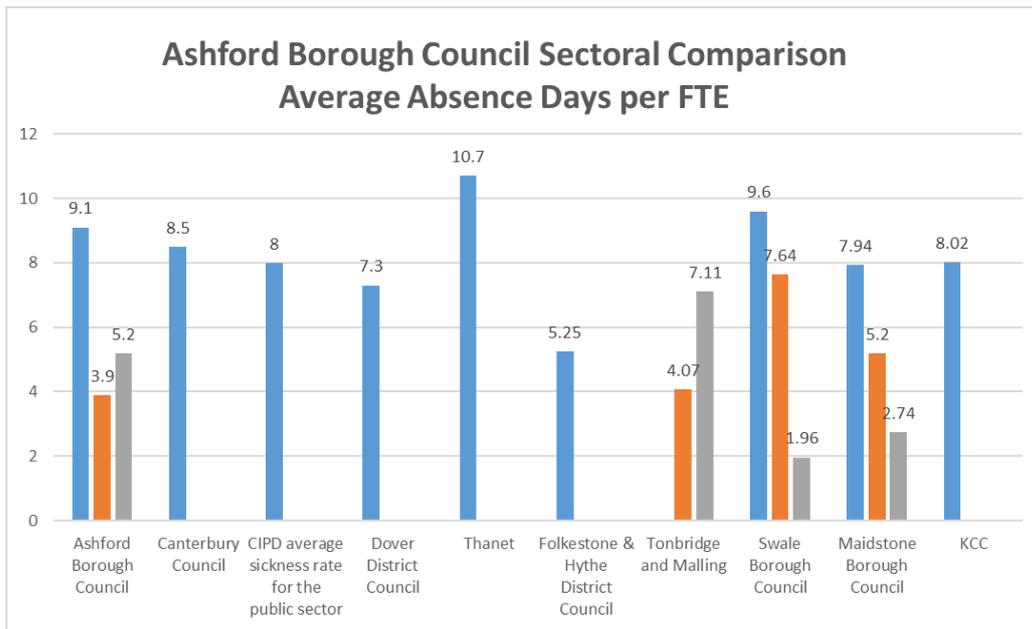


16. The service areas that have a higher proportion of sickness compared to their head count are:
- Planning and Development contribute 17% sickness for 12% staff
 - Housing contribute 26% of sickness for 22% of staff
 - HR & Customer Service contribute 10% of sickness for 7% of staff
 - Legal contribute 6% sickness for 5% staff
17. In **Planning & Development** the main cause of absence was Stress, depression etc., which accounted for 45% of absence in the Service. This is attributed to five individuals having long-term absence due to stress, depression etc. This may be reflective of a year whereby there were significant workload pressures and backlogs in the service as well as organisational change due to a restructure. Personal circumstances have been attributed to the majority of the employees in this category. Four are now back at work, a fifth is currently absent with an unrelated condition but had previously made a successful return to work too. A further 18% absence in the service was due to other chronic conditions.
18. In **Housing** 46% of the absence was long-term sickness caused by chronic musculo-skeletal conditions, surgery issues and poor mental health across eight members of staff. All of these staff have either left the council's employment or are back at work.
19. **HR & Customer Services** 43% of absence was due to long-term absence caused by stress, depression etc., heart related conditions (requiring hospitalisation) and sickness due to surgery and complications related to the surgery. Of the six people who had long-term absence all are back at work, or have left the council. Call Centre staff do tend to have higher absence levels in the wider industry, and at the council this will be exacerbated by this team not having access to flexi- time in the way other teams do. For example, they are more likely to call in sick before their rota'd shift rather than start work a bit later as other staff can do.
20. In **Legal & Democratic** 67% of the absence in this service was due to one member of staff with a chronic condition. This staff member has left the council.

National and sectoral comparison

21. The April 2020 Health and Well-being at Work Survey produced by the Chartered Institute of Personnel and Development (CIPD) reported on national absence trends across sectors. The Survey reported an average sickness rate for the public sector of 8 days per employee (FTE) which is a decrease from the figure of 8.4 days per FTE in 2018/19.
22. The chart below shows how the council compares with national public sector absence and some of our neighbouring authorities. All authorities collect and report on this data in different ways therefore to ensure comparison average absence days per FTE is shown in blue, Average short term absence per FTE is shown in grey and average long term absence is shown in orange.

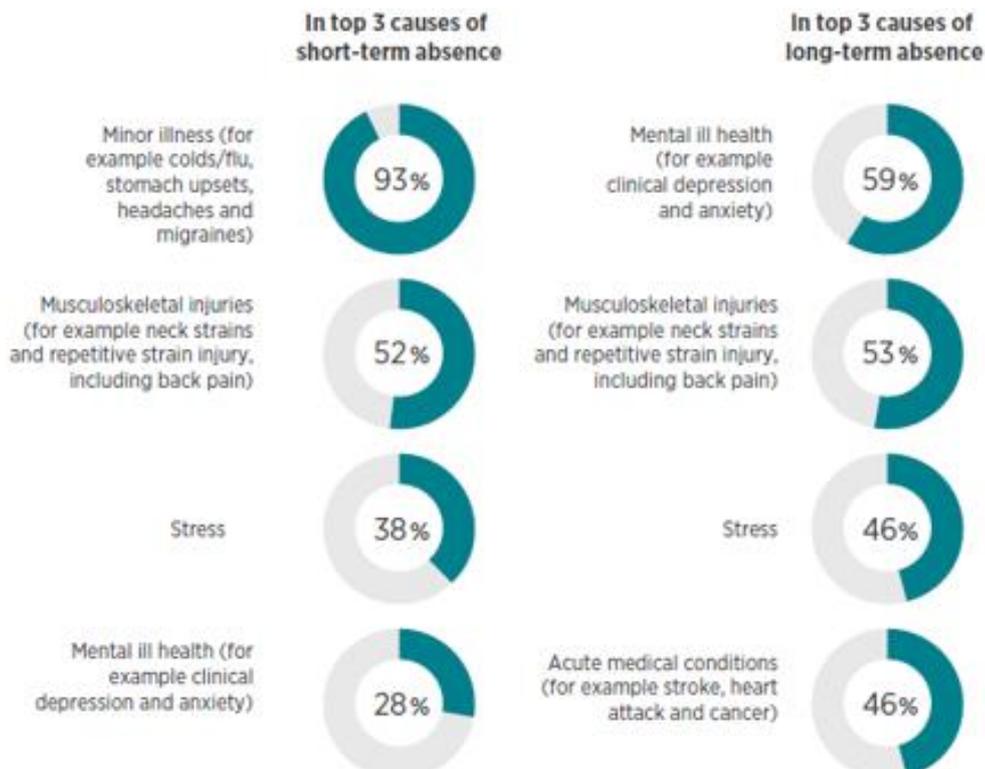
23. Lowest overall absence levels are in Folkestone and Hythe and highest levels are in Thanet and Swale. It should be noted that Thanet report high numbers of manual workers in their workforce.



Reasons for Sickness Absence

24. The CIPD Health and Well-being At Work Survey reported on the most prevalent reasons for both long term sickness absence and short term sickness absence.

CIPD survey: The most common causes of absence (% of respondents who include their top 3 causes)



25. The following two tables detail the reasons for our long-term and short-term sickness absence.

Absence Reason 20 days or more (long-term absence)	% of all sickness
Stress, depression, anxiety, mental health, fatigue	19.00
Other	6.20
Back and neck problems (inc. Sciatica)	5.42
Other musculo-skeletal problems (inc. arthritis)	4.39
Chest, respiratory	2.73
Heart, blood pressure conditions, circulation	1.39
Surgery, surgery recovery, hospital appointment/procedure	1.37
Stomach, liver, kidney, digestion	1.24
See Doctors Certificate	0.73
Pregnancy related	0.61
TOTAL	43%

Absence Reason less than 20 days (short-term absence)	% of all sickness
Cold, Influenza, Fever, Pneumonia*	9.41
Stress, depression, anxiety, mental health, fatigue	8.04
Virus (inc. e.g. vomiting, diarrhoea, food poisoning)*	5.94
Other	5.42
Phased return	4.46
Eye, ear, nose, throat, tonsillitis, glandular, mouth/dental problems, sinusitis*	4.38
Stomach, liver, kidney, digestion	3.78
Other musculo-skeletal problems (inc. arthritis)	2.59
Chest, respiratory	2.57
Back and neck problems (inc. Sciatica)	2.28
Headache, Migraine, Vertigo*	2.28
Surgery, surgery recovery, hospital appointment/procedure	1.82
Infections	1.23
Heart, blood pressure conditions, circulation	0.65
See Doctors Certificate	0.57
See Self Certificate	0.47
Pregnancy related	0.38
Genito-urinary; menstrual problems	0.34
Fracture, injury, accident outside of work	0.20
Sickness	0.10
TOTAL	57%

*minor illnesses – colds, stomach upsets and headaches

26. Comparison with national trends – long-term absence

- CIPD trends indicate that mental ill health continues to be the major cause of long-term sickness. In Ashford Borough Council, this 19% of long-term absence is attributable to stress, depression, anxiety, mental health and fatigue. This is a reduction from 2018/19 when it was 27%.

- Musculoskeletal conditions are cited as the second largest reason for long-term absence. Ashford's trends are aligned with this too.
27. Comparison with national trends – short-term absence
- We also match national trends with our short-term absence causes, the CIPD report that a wide range of minor illnesses (highlighted with an asterisk on the table) such as cold, flu, stomach upsets, headaches and migraines are the leading cause of short term absence. This trend is reflected on the council's data with colds, stomach upsets making up 22% of short-term absence, followed by stress at 8%.
 - Mental ill health makes up 8% of short-term absence within the council, which is a 1% increase on 2018/19.
 - Phased returns to work made up 4% of short-term absence within the council, demonstrating the important part that recuperative return to work plans play in facilitating an early return to work following sickness absence, helping to reduce the overall long-term absence rate.

Sickness conclusions

28. Overall it is positive that sickness absence is reducing, our reasons for absence are consistent with national trends. Comparison with neighbouring councils
29. Whilst in some service areas sickness levels are higher than the average in the council we can understand why this might be the case and where necessary work is ongoing to address the causal factors.
30. We have worked well to reduce the long term sickness, and this will continue. A revised sickness policy and new attendance management policy will support ongoing reduction in both long-term and short-term sickness. It is intended that these policies will be considered by the JCC in October.

Staff turnover

31. Turnover is a good indicator of corporate health. The calculation typically includes all leavers, including those who retire, or leave involuntarily due to dismissal or redundancy. It also makes no distinction between beneficial turnover and that which is dysfunctional.

The standard calculation for turnover is:

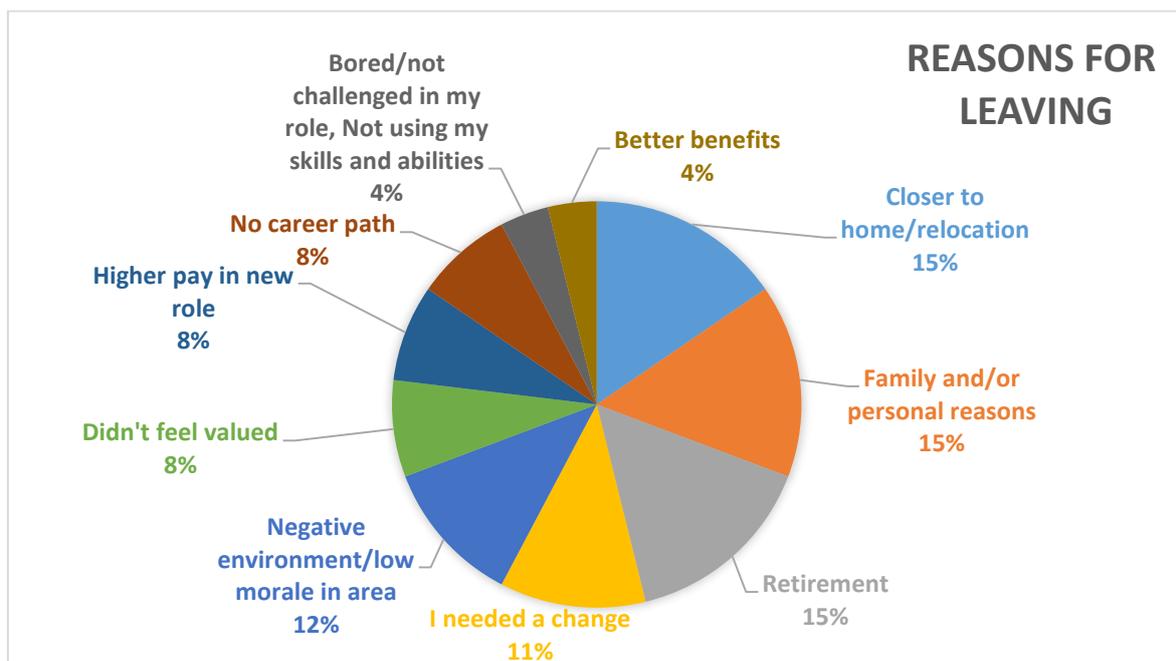
$$\frac{\text{Total number of leavers over period}}{\text{Average total number employed over period}} \times 100$$

32. However, it is also useful to calculate a separate figure for voluntary turnover (resignations), as such departures are unplanned and often unpredictable (unlike planned retirements or redundancies for instance) and can have a particularly adverse impact on the business.

33. Our turnover due to all reasons in 2019/20 was 11%, and 9% due to resignations. These figures tend to be lower than the national figure where 15% is the typical level.
34. The table below shows a per service breakdown of the turnover

Service	Service turnover due to 'All Reasons' (excl end of Fixed Term Contracts)	Service Turnover due to resignation	Percentage of corporate turnover due to resignation
Corporate Policy, Economic Development and Communications	16.7%	16.7%	0.8%
Corporate Property and Projects	14.8%	11.1%	0.6%
Health, Parking and Community Safety	13.6%	5.1%	0.6%
Legal and Democracy	16.7%	8.3%	0.4%
HR and Customer Services	11.1%	11.1%	0.8%
Culture	12.5%	12.5%	0.4%
Planning and Development	14.3%	12.5%	1.7%
Environment and Land Management	12.2%	8.2%	0.8%
Housing	6.4%	5.5%	1.2%
Finance and IT	7.9%	3.9%	0.6%
CX Directors, CMO and Support	12.5%	0.0%	0.0%

35. We also collect data about why people are leaving, it is not obligatory for staff to provide us with this feedback. Just under half the leavers responded to the request for feedback during 2019/20 and the reasons for leaving were given below:



36. **Planning & Development** have a higher resignation rate than the corporate rate (12.5% v 9%). This equates to seven people. The reasons given for leaving in this area are: didn't feel valued, family reasons, no career path, better benefits and retirement. These are not unusual reasons when there has been significant internal changes, especially where internal promotion opportunities have not been realised and can lead to turnover and/or poor morale. The Planning Advisory Service review identified some of these issues and the new interim Head of Service is working on a plan to improve morale, embed the structure and improve performance.
37. Members have previously expressed concerns about turnover in the Planning and Development unit so it is worth expanding on this element. Historically we have had a stable service with low turnover. The market for Planning staff has always been a small, and 'Kent focused' with many staff 'doing the rounds' amongst local authorities. Overall Ashford has historically retained its staff because of the exciting prospects for development in Ashford and the high performing culture of the service, its reputation was enviable. A vicious circle of demotivated leavers and a reduction in performance levels has impacted our ability to attract new talent. i.e. our reputation across this close-knit sector (other planning authorities, developers, local agents, temporary staffing agencies supplying consultants etc.) was not of a workplace people wanted to come. The plan of action being implemented by the new interim Head of Service will help to address this, but it might take some time.
38. The recruitment is being taken forward currently now that lockdown is easing. The employment market has changed significantly since the country went into lockdown and it will be important to properly test the market to determine the impact of the pandemic on our ability to attract and retain talent. The Council has a number of tools it uses to make roles attractive, support for learning and development, relocation packages, flexible working, In the event that we are unable to attract talent we also have a Market Supplement Scheme that can be applied to enhance salary levels.
39. During lockdown when we initially paused all of our recruitment activity we placed a 'generic' advert on our website for Planners. This was to keep the door open for any speculative applicants. The campaign has yielded a greater number of speculative applicants than we would normally get and where we believe the skills match potential roles these are with the service for review, so the indications are positive to be able to successfully recruit to vacancies.
40. **Corporate Policy, Economic Development and Communications** have a resignation rate higher than the corporate resignation rate (16.7% v 9%). This equated to four people. Reasons given for leaving in this service were relocating closer to home, needing a change or because they were bored in their role.
41. **Culture** also has a higher resignation rate higher than the corporate resignation rate (12.5% v 9%). This equated to two members of staff, both of the staff members relocated for different job opportunities
42. **HR & Customer Services** has a higher resignation rate than the corporate resignation rate (11.1% v 9%). This relates to four members of staff, their reasons for leaving included better paid job elsewhere in the council, low morale and I

needed a change. The customer service part of the unit has had higher churn in the past similar to the wider call centre industry; the positive to this at Ashford BC is that customer service staff tend to move internally to other jobs so we retain their talent and knowledge corporately.

43. Finally, **Corporate Property & Projects** has a higher resignation rate than the corporate resignation rate (11.1% v 9%). This equated to two resignations. Neither completed the exit interview but from informal conversations before leaving at least one related to promotion opportunity elsewhere.

Turnover conclusions

44. Our turnover rate of 11% is considered to be good compared to the typical national levels (15%). A high number of the reasons stated for leaving are neutral reasons that the council had no control over (e.g. family reasons, relocation). However changes to working practices and the ability to work remotely may positively impact these in the future.
45. It should also be noted that some turnover is healthy, an organisation needs different experiences, new perspectives in order for it to evolve. It also needs to lose staff that are not productive or who are disruptive, so some turnover should be welcomed.
46. In the services where there appears to be comparatively high turnover, sometimes this is partly because of the small size of the service. However where this is not the case (Planning and Development) we understand the reasons why. We need to ensure that we learn the lessons related to change management that have lead to the turnover.

Employment relations

47. Poor employment relations is also an indicator or poor corporate health. Formal disciplinary and grievances result when informal interventions, designed to support and encourage improvements have failed, or where the conduct is so unacceptable it cannot be resolved informally.
48. The table below summarises the number of cases where HR advice has been sought in the previous year, and either resolved through informal stages of the procedure or progressed to a formal hearing. There are of course many informal cases that HR have not been required to support as they have been handled within the services.

	Total cases	Resolved through formal process	Issue dealt with in formal procedures
Grievance	10	2	2 x Management standards
Bullying & harassment	5	2	1 x peer to peer, 1 manager to subordinate
Disciplinary	8	4	3 x Conduct, 1 x failure to follow procedures

Service area	Total cases supported by HR
Corporate Policy, Economic Development and Communications	1
Corporate Property and Projects	3
Health, Parking and Community Safety	4
Legal and Democracy	1
HR and Customer Services	0
Culture	0
Planning and Development	2
Environment and Land Management	1
Housing	8
Finance and IT	3
CX Directors, CMO and Support	0

49. It is difficult to benchmark casework with others as it is not only reflective of the culture and health of the organisation in a negative way it is also reflective of the context in which the organisation is operating. For example, awareness raising or training in a new policy may increase the number of people accessing that policy.
50. Both Planning & Development and HR & Customer Services have both been highlighted as having proportionately higher sickness and turnover. Only one of the cases that went through the formal process was in the Planning service and none in HR & Customer Services. Where HR have been asked to support with informal cases these have tended to be in services with inexperienced managers and they have done exactly the right thing by asking for help. The corporate training plan will be delivering management training this year aimed at developing these basic skills and we will use this data to allocate places.

Employment relations conclusions

51. There is not a concentration of formal cases in any one-service area. If this were the case, it could indicate poor health in that service area. There is a higher concentration of cases informally resolved linked to a Housing but this has been where the manager has needed support due to inexperience and does not indicate poor health in this area.