

# **Staff and Pensions Committee**

**5 October 2022**

## **Leading Organisational Wellbeing Annual Review 2021/22 (Previously known as Employee Sickness Absence Management Report)**

### **Recommendations**

That the Committee:

1. Endorses the Leading Organisational and Wellbeing Review 2021/22 as set out at Appendix 1.
2. Considers the performance information in relation to the management of employee sickness absence during 2021/22 set out in Section 3 and endorses maintaining an overall target of 8 days per FTE (with a +/- 1 day tolerance) for 2022/23.
3. Considers the work in our approach to leading organisational wellbeing and supports the priority actions for 2022/2023 set out Section 2.10.

### **1.0 Introduction**

- 1.1 The annual review attached as Appendix 1 details the work that has taken place over the last 12 months with regards to leading organisational wellbeing and outlines:
  - a) The achievements in 2021/22.
  - b) The priorities and action plan for 2022/2023 to take forward further development of a sustainable and resilient workforce.
  - c) Workforce performance data for 2021/22, with trend and benchmarking information.
- 1.2 This report pulls out the main themes from the annual review for consideration by the Committee.

## **2.0 Leading Organisational Wellbeing; at a glance:**

- 2.1 Absence has increased throughout the year from 7.45 to 8.61 days per FTE colleague. The increase was to be expected as we moved out of the pandemic and social distancing restrictions were eased. The year-end figure is within the target of 8 days per FTE (+/- 1 day). Although we have seen an increase, we are still significantly below pre pandemic levels (21%) and many of our benchmark comparators, and our aim now is to now stabilise absence rates.
- 2.2 We have continued to 'Check- in' with our people regularly to see how they are feeling and tailor our wellbeing offer accordingly. Just below 80% of our people have been doing 'OK or better', and 83% of our people feel that wellbeing is promoted at work. We also asked for the first time whether work has a positive impact on wellbeing, with agreement from over half of those who responded.
- 2.3 The sustainable and resilient workforce project actions are now complete, and this activity has transitioned into business as usual. The project has successfully achieved Thrive accreditation, launched the 'Approach to Wellbeing', refreshed and launched the attendance at work policy, as well as other target actions to maximise attendance. Other wellbeing activity has included collaboration with Public Health (Sugar Smart), providing a new on-site flu vaccination service and trialing a wellbeing and volunteering day
- 2.4 A refocused Leading Organisational Wellbeing group, a collaborative group of management and wellbeing representatives, continue to drive actions and involve colleagues in ways to maximise wellness at work.
- 2.5 The focus for 2021/2022 was to reduce absence relating to stress and mental health reasons and long- term absences. Stress and mental health remains our highest reason for absence, and as a percentage of time lost it has reduced from 33% to 28% and the days per FTE colleagues has reduced from 3.17 in 2020, to 2.47 in 2021 and 2.43 in 2022. Long term absence, lasting 4 weeks of more, as a percentage of time lost has reduced from 71.4% to 63.3%.
- 2.6 Over 54% of our people have taken no sickness absence over the last 12 months, this has reduced from 67% the previous year, but remains higher than pre pandemic levels.
- 2.7 Musculo-skeletal remains our second highest reason for absence, and has remained consistent at around 15%, for 2021/2022. Our third highest reason was coronavirus, which made up 12% of our absence, compared to 4.5% the previous year increasing from 0.3 days per FTE to just over 1 day per FTE.

- 2.8 As we move towards a 'new normal', absence is likely to continue to fluctuate, therefore it is proposed that the target for 2022/2023 is to remain the same at 8 days per FTE (+/- 1 day).
- 2.9 An area of focus for the Council Plan is to support people to live healthy, happy and independent lives. Ensuring health and wellbeing is integral to all aspects of the Council's work, informs our strategic priorities and the wellbeing of our people is integral to this.
- 2.10 Priorities for 2022/23 will be to stabilise absence levels, continue to focus on:
- stress and mental health related absence (including workload management);
  - managing long term absence;
  - launching a managers absence dashboard to provide them with up-to-date data to support them in managing attendance at work;
  - progressing with gaining to evidence to achieve Silver Thrive at Work accreditation;
  - monitoring the success of the Our Approach to Wellbeing.

### 3.0 Performance Data and Benchmarking

3.1 The following section provides the information contained within the annual review in table format.

#### 3.2 Days per FTE

Following an unprecedented reduction in sickness absence, during the pandemic in 2020/2021, absence increased in 2021/2022 as predicted, whilst remaining within target and significantly below pre pandemic levels.

Year Ending	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Days Lost per Employee FTE	9.61	9.60	10.08	10.26	9.90	9.87	9.51	10.90	7.45	8.61
Public Sector Average	9.1	7.9	8.7	7.9	8.7	8.5	8.5	8.4	8.0	7.7
Shire County Average			9.92	9.78	9.36	9.62	9.48	9.19	7.60	9.62

Note the Public sector average has a lag in reporting and is a year in arrears and for 21/22 has been calculated by converting the ONS % into days, as the CIPD did not provide this statistic for 2021. The Shire County Average is not yet a complete picture

### 3.3 By Service Area

The majority of the service areas remained within the target of 8 days (+/- 1 day) per FTE.

	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>WCC (excluding schools)</b>	<b>10.08</b>	<b>10.26</b>	<b>9.9</b>	<b>9.87</b>	<b>9.51</b>	<b>10.9</b>	<b>7.45</b>	<b>8.61</b>
<b>Communities Directorate</b>	<b>9.99</b>	<b>9.28</b>	<b>9.21</b>	<b>9.05</b>	<b>8.44</b>	<b>9.65</b>	<b>5.64</b>	<b>5.9</b>
Communities	9.26	10.19	11.12	8.31	7.12	7.93	9.27	6.66
Education Services	11.72	8.54	9.62	9.09	7.07	7.83	5.18	5.19
Environmental Services*						7.02	4.45	8.26
Fire & Rescue **	6.5	8.42	7.91	10.22	10.09	14.34	4.73	4.48
<b>People Directorate</b>	<b>12.28</b>	<b>13.16</b>	<b>13.12</b>	<b>12.12</b>	<b>12.12</b>	<b>14.11</b>	<b>10.51</b>	<b>11.48</b>
Adult Social Care	11.9	16	15.37	13.35	13.38	16.22	11.54	14.57
Children & Families	11.8	12.86	11.45	12.4	11.66	13.12	10.8	10.48
People Commissioning	15.89	13	11.24	4.03	7.98	7.98	2.28	4.13
Public Health	3.16	6.56	7.49	7.95	15.15	6.22	1.9	5.11
<b>Resources Directorate</b>	<b>8.2</b>	<b>8.87</b>	<b>8.36</b>	<b>7.05</b>	<b>8.25</b>	<b>9.94</b>	<b>6.52</b>	<b>8.94</b>
Business and Customer	11.21	11.55	10.15	9.95	9.43	13.5	8.51	11.24
Commissioning Support Unit	9	4.98	4.82	3.7	2.66	5.73	2.8	5.21
Enabling (was HR and OD)	7.84	9.46	7.77	5.03	8.04	7.98	6.35	9.16
Enabling (was ICT)	4.64	6.89	5.27	5.55	7.71			
Enabling (was Property Services)	8.7	9.07	10.07	6.37	12.26			
Finance	6.83	7.35	7.18	8.81	7.3	7.18	5.83	6.74
Governance and Policy	7.29	7.95	5.92	6.77	5.49	6.08	4.03	6.75

\*\* Fire and Rescue service, from 2020/21 onwards a different method of calculating days per FTE, based on the shift patterns has been adopted.

### 3.4 Percentage No Absence

Over half of our people have not had a day off absence in the last 12 months, this is a decrease in the previous year, however remains above pre pandemic levels.

No Absence	12/13	13/14	14/2015	15/16	16/17	17/18	18/19	19/20	20/21	21/22
<b>WCC</b>	36.30%	39.30%	38.70%	40.70%	39.60%	48.10%	39.95%	50.45%	67.58%	54.07%

### 3.5 Benchmarking information

Benchmark data on average days absence obtained from the Shire Counties network to provide comparative data has been obtained, however, this is not yet a complete picture. Datasets should be considered as illustrative as the precise method for calculation, together with absence strategies, may differ.

The public service sector average for 2021 was 7.7 days per employee per year, compared to 8.0 days reported in 2020. The figures for 2022 are not available until the towards the end of the year.

Warwickshire absence rates continue to track below the average.

Local Authority	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Warwickshire</b>	9.9	9.87	9.51	10.90	7.45	8.61
<b>LA a</b>	8.4	9.1	9.4	9.80	6.47	9.27
<b>LA b</b>				9.00	7.70	
<b>LA c</b>	13.2	11.9	12.4	13.63	12.90	15.43
<b>LA d</b>				10.18	8.30	7.00p
<b>LA e</b>				11.03	8.23	
<b>LA f</b>	7.8	9.1	8.1	8.59	5.64	8.93
<b>LA g</b>	6.9	7.3	7.5	8.02	5.99	
<b>LA h</b>				10.08	7.51	
<b>LA i</b>					5.91	8.47
<b>LA j</b>				8.39	6.46	8.25
<b>LA k</b>				11.2	10.53	10.38p
<b>LA l</b>				7.42	6.42	9.95
<b>LA m</b>	7.5	8.3	6.7	7.42	6.42	8.03
<b>LA n</b>	12.9	13.6	13	11.91	8.79	
<b>LA o</b>		10.6	10.7	6.65	9.48	12.14
<b>LA p</b>				6.39	4.81	
<b>LA q</b>				6.74	9.48	
<b>LA r</b>				8.1	6.00	7.95
<b>Mean Average</b>	9.36	9.62	9.48	9.19	7.60	9.62
<b>Public Sector</b>	8.7	8.5	8.5	8.4	8.0	7.7

P – are predicted figures awaiting final confirmation. Mechanism for calculating the public sector average has changed from CIPD figures to ONS % converted into days, these figures lag behind by one year.

### 3.6 Percentage of time lost due to short-term / long-term sickness

During the last 12 months the balance between short-term and long-term absence, has shifted back to pre-pandemic levels, with the long-term proportion reducing from 71.5% down to 63.9%.

	WCC		Communities		People		Resources	
	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term
2015/16	37.3%	62.7%	41.1%	58.9%	33.8%	66.2%	40.0%	60.0%
2016/17	39.7%	60.3%	38.9%	61.1%	37.3%	62.7%	45.6%	54.4%
2017/18	36.6%	63.4%	39.8%	60.2%	33.6%	64.4%	44.7%	55.3%
2018/19	37.4%	62.6%	39.0%	61.0%	32.4%	67.6%	44.2%	55.8%
2019/20	33.5%	66.5%	33.1%	66.9%	30.2%	69.8%	39.0%	61.0%
2020/21	28.6%	71.5%	27.0%	73.0%	27.4%	72.6%	31.8%	68.2%
2021/22	36.4%	63.6%	39.9%	60/1%	33.7%	62.3%	37.3%	62.7%

Short-term absence = below 20 working days. Long term absence four weeks plus

### 3.7 Sickness Absence Management

With the support of the HR Service, managers across all Directorates are working to proactively manage sickness absence in accordance with the Council's refreshed Attendance at Work Procedure. Please note due to the sensitive nature of the details, some of these figures are not recorded in the annual report.

Year	Indicators (e-episodes, d-days)				Ill Health Retirements	Dismissals	Re-deployees
	3e / 6mths	5e / 12mths	10d/12mnth	LTS at 31/			
2015/16	No Record				9	7	No record
2016/17	No Record				16	7	No record
2017/18	No Record				9	5	No record
2018/19	No Record				6	7	1
2019/20	160	117	783	153	9	1	3
2020/21	78	55	568	59	1	2	3
2021/22	195	103	810	88	12	3	2

### 3.8 Reasons for Sickness Absence

The top reasons for sickness absence by percentage has changed this year. Stress and mental health remains the highest, although has maintained at under 2.5 days per FTE through the year. Musculo Skeletal remains the second highest. Covid-19 related absence has increased significantly over the last year and is now our third highest reason.

Reason	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22
Mental Health	19.9%	25.4%	25.3%	24.6%	25.7%	29.1%	33.1%	28.10%
Musculoskeletal	17.7%	18.6%	16.0%	18.1%	19.6%	17.0%	15.7%	15.10%
Covid							4.5%	12%
Chest or Respiratory	5.9%	4.6%	5.1%	9.9%	9.6%	7.9%	3.8%	4.2%
Cancer	n/a	n/a	n/a	n/a	na	n/a	6.5%	4.5%
Digestive System	6.9%	6.7%	7.0%	4.5%	6.4%	6.8%	4.0%	6.0%
Reason Withheld	6.6%	3.9%	5.5%	0.9%	5.9%	6.1%	5.9%	4.3%
Neurological	4.0%	4.2%	3.4%	3.7%	4.1%	5.0%	4.3%	3.0%
Viral	13.9%	13.2%	12.3%	4.8%	3.5%	3.5%	2.0%	1.8%

### 3.9 Occupational Health Referrals and Reasons

Management referrals have seen an increase and are the highest levels in 7 years, which is indicative of the strategy of earlier intervention and active management of long-term absences. Mental Health remains the highest referral reason.

Directorate	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Communities	77	73	99	103	78	111	73	84
People	256	211	168	181	181	222	210	260
Resources	127	128	110	97	79	78	94	132
<b>Total</b>	<b>460</b>	<b>412</b>	<b>377</b>	<b>381</b>	<b>338</b>	<b>411</b>	<b>377</b>	<b>476</b>

Referral Reasons	18/19	19/20	20/21	21/22
Mental Health	40%	47%	50%	51%
Musculo-Skeletal	21%	20%	15%	9%
Other Reasons	39%	33%	35%	40%

### 3.10 Employee Assist Programme

The Employee Assistance Programme provision is available to all WCC colleagues (excluding WFRS who have their own in-house provision) and has continued to be extensively communicated and promoted to colleagues. Through 2021/22 there has been an increase in overall referrals, which demonstrates that more people are reaching out for help.

	2021/22					2021/22				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
<b>Emotional Support</b>	25	37	35	31	128	35	46	39	43	163
<b>Legal and Information</b>	10	10	5	10	35	6	14	5	4	29
<b>Management Support</b>			1	1	2					
<b>Total</b>	35	47	41	42	165	41	60	44	47	192

WCC only contacts.

## 4.0 Financial Implications

- 4.1 The estimated opportunity cost of days lost due to sickness absence has increased by £1.4 million, this can be attributed to both the increase in absence as well as a 14% increase in our overall FTE during 2021/22 from 3835.57 to 4373.31 which has been required to maintain our response to the pandemic and to manage increasing demand for services. Please note that this figure does not include any cover costs where cover arrangements may have been put into place.

	2018/19	2019/20	2020/21	2021/22
Estimated Cost	£3.13 million	£3.5 million	£2.8 million	£4.2 million

## 5.0 Environmental Implications

None for this report.

## 6.0 Conclusions

- 6.1 2021/2022 accelerated our progress in our commitment to developing a sustainable and resilient workforce, all whilst navigating a global pandemic. Absence rates have as expected increased slightly, however remain within target, below pre pandemic levels and below our average benchmark comparators.
- 6.2 We have continued to demonstrate our prioritisation of wellbeing and enabling people to work at their best, which has been externally recognised through the achieving Bronze Thrive at Work accreditation. We explored new ways of working with our people to support wellbeing, including the trial of a wellbeing and volunteering day and the flu vaccination on-site clinics. A full, aligned and meaningful programme of wellbeing activity is planned for 2022/2023, maximising the opportunity



for absence levels to be sustained and minimising wherever possible.

- 6.3 We are now embedding Leading Organisational Wellbeing, in partnership with Council Leaders and key stakeholders, as 'business as usual' and will continue to monitor trends, uptake of initiatives and identify priorities. The outputs of the group have included the launch of 'Our Approach to Wellbeing' and the new look Attendance at Work policy.
- 6.4 Stress and mental health continue to be priority areas, along with reducing our long-term absences, understanding the effects of long COVID-19 and the mental health impact of the pandemic. A continued target of 8 days per FTE (with a +/- 1 day tolerance) is proposed for 2022/2023 along with a target of maintaining Stress and Mental Health absence below 2.5 days per FTE. A new wellbeing measure will also be reported, measuring agreement against a number of YourSay engagement questions.

## Appendices

Appendix 1 – Annual Review focus in Leading Organisational Wellbeing 2021/2022

## Background Papers

None

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The report was circulated to the following members prior to publication:

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