

# NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

## POLICY AND RESOURCES SCRUTINY COMMITTEE

29 June 2016

### Report of the Head of Human Resources – Sheenagh Rees

#### Matter for Information

#### Wards Affected: All Wards

### LONG TERM SICKNESS TASKFORCE UPDATE

#### 1. Purpose of Report

1.1 The purpose of this report is to provide Members with an update in relation to the work of the Long Term Sickness Taskforce and the early intervention methodology pilot.

#### 2. Background to the Long Term Sickness Taskforce Project

2.1 In September 2014, members of this Committee endorsed the establishment of the Sickness Taskforce to undertake an examination of long term sickness absence [over 28 days absent] to understand what actions would be needed to reduce the incidences of absence and / or the length of absences with the aim of reducing the costs of absence.

2.2 The initial phase of the Taskforce Project was a **Research Phase**. The Taskforce plotted all current cases of long term absence within identified hot spot areas to establish barriers, constraints and consider employee patterns and behaviours. Research of best practice nationally and across industries led to the development of a good practice strategy, evidence based on the principles of early intervention. Research identified that absent rates can potentially be halved over time with immediate intervention strategies that include informal contact maintained through absence. This strategy was developed with the support and input of the trade unions.

2.3 The Early Intervention and Effective Communication Strategy combines the following:

- **Early intervention**
- **Effective communication**
- **Informal Return to Work Plan Meetings** with a clear focus on the return to work

- Additional HR resources utilised for **rigorous case management** and **manager prompting** at each key stage
- **Clear roles and responsibilities** - managers retain responsibility and accountability for managing absence
- Personal **manager briefings**
- **Stress risk assessments** to be carried out for every instance of identified work related stress (even where employee is not absent)
- **How to Guides** on managing long term absence
- **Occupational Health Referral Hotline** to ensure referrals are necessary and add value

2.4 In February 2015, the Taskforce began a **Pilot Phase**, piloting the early intervention and effective communication strategy initially within the Environment Directorate, and have since then rolled out the strategy to the rest of the Council with the exception of Schools. A separate Schools Project has been developed by the Director of Education, Leisure and Lifelong Learning (ELLL), drawing on the work of the Sickness Taskforce. The Director of ELLL will report separately on this initiative at Children, Young People and Education Scrutiny Committee and Cabinet Board.

2.5 Members of this Committee received updates in June and December 2015 in relation to the pilots of the early intervention and effective communication strategy and the lessons learnt. This report provides the latest update in relation to the pilots.

## 4. Summary of Findings

### 4.1 Reduction in days lost to long term absence

4.1.1 Data in relation to each pilot has been analysed. Please note that whilst the data relates to the full year period April 2015 to March 2016, the pilot in Social Services, Health and Housing did not commence until May 2015.

4.1.2 Over the course of the year, 503 employees in the pilot sites were absent due to long term absence. This equated to 30,301 days absence from work.

4.1.3 To determine whether the early intervention strategy has had an impact, this data has been compared to 2014 / 2015. The number of days lost was higher at 31,926. **This represents a reduction of 5.8% in days lost to long term absence.** This can be compared with the overall reduction in employee numbers within the pilot services over the period which equated to 2.25%. This provides evidence that the reduction in days lost to sickness absence outstrips the reduction in employee numbers. Frustratingly however, the impact of the project is not being seen in the Council's overall absence figure.

### 4.2 Cost benefits

4.2.1 The reduction in days lost to sickness absence in the pilot sites represents a reduction in sick pay costs over the year of **£114,742** or a 5% reduction.

4.2.2 The additional HR resources required to case manage equate to an annual cost of £68,000. Off set against the reduction in sick pay costs, **this equates to a net reduction of £46,742.**

## **5. Presentation**

5.1 At committee the Taskforce will provide Members with a presentation setting out the activity of the Taskforce during the pilot phase, and their full findings. Members will of course have noted in the Quarter 4 Monitoring Report that there has been mixed success in reducing overall absence rates across the Council, and the presentation will focus on the story behind the data in each directorate, highlighting both success stories, some of the barriers to reducing absence, and how those barriers have been tackled.

## **6. Next steps**

6.1 The funding for the additional resources based in the Human Resources team to implement the Early Intervention Strategy ceases on 31<sup>st</sup> December 2016. Members will receive a final report from the Taskforce team in December 2016.

## **7. Risk Management**

Sickness absence must continue to be managed effectively or there is the risk that sickness rates will increase with associated loss of productivity and budgetary impact.

## **8. Financial Impact**

Excluding the School workforce, long term sick pay reduced by £114,742 in 2015 / 2016.

## **9. Consultation**

There is no requirement under the Constitution for external consultation on this item.

## **10. Equality Impact Assessment**

There is no requirement for an Equality Impact Assessment in relation to this item.

## **11. Workforce Impacts**

This report will be shared with recognised trade unions in respective consultative forums for discussion and consideration.

## **12. Legal Impacts**

The management of absence must be fair and reasonable, and managers should ensure compliance with the Council's Maximising Attendance at Work and related policies.

## **13. Recommendation**

It is RECOMMENDED that Members NOTE the update report and receive a final report in December 2016.

## **14. Background Papers**

The Maximising Attendance Policy and Procedure.

## **15. Officer Contact**

For further information on this report item, please contact Sheenagh Rees, Head of Human Resources on extension 3315 or e-mail [s.rees5@npt.gov.uk](mailto:s.rees5@npt.gov.uk)