

ABERDEEN CITY COUNCIL

COMMITTEE	Staff Governance
DATE	31 January 2019
REPORT TITLE	OHP Quarterly report: July 2018 – September 2018
REPORT NUMBER	GOV/18/067
DIRECTOR	Steve Whyte
CHIEF OFFICER	Isla Newcombe
REPORT AUTHOR	David Forman
TERMS OF REFERENCE	5.3

1. PURPOSE OF REPORT

- 1.1 This report updates the Committee on Council wide utilisation of the Occupational Health Service contract provided by both OH Assist and Iqarus Limited during the 3 month period July 2018 – September 2018.

2. RECOMMENDATIONS

That Committee:

- 2.1 considers the contents of the report;
- 2.2 instructs the Chief Officer for People and Organisation to review evidence from Functions on the actions taken to support individuals in attending Occupational Health appointments; and
- 2.3 instructs the Chief Officer for People and Organisation to monitor reasons for the use of Occupational Health services and to develop and propose improvement actions where appropriate.

3. BACKGROUND

- 3.1 Following a joint tender evaluation process with Aberdeenshire Council, Iqarus were awarded the Occupational Health Service contract. The contract commenced on 02nd August 2018 and will last for 3 years with an option to extend by a further year.
- 3.2 This report contains utilisation information for the 3-month reporting period (July 2018 – September 2018).
- 3.3 The use of an independent Occupational Health service providing specialist health and wellbeing services allows for an early intervention approach to supporting employees in the workplace. By doing so the Council aims to both

(i) support individual employees' health and wellbeing and (ii) increase its legal compliance in relation to statutory requirements such as health surveillance. This can therefore reduce costs in the event of legal challenge e.g. enforcement action from the Health and Safety Executive (HSE) and employment tribunals.

3.4 Long-term absence is costly. The longer an employee is off work the more challenging it becomes to manage their health problems and less likely that they will return to work. There is mutual benefit to both the council and employees, if we can proactively support employees in the workplace through reasonable adjustments.

3.5 Utilisation (July 2018 – September 2018)

3.6 The table below provides a summary of occupational health service referrals during this reporting period.

OH service	OH referral	Pre-employment checks	Health Surveillance	Vaccinations	Other
No of referrals – OH Assist	23	19	29	4	0
No of referrals - Iqarus	64	78	18	5	39

3.7 A total of 274 employee appointments were made with the new provider, Iqarus, in the period August 2018 – September 2018, of which 215 were attended, 44 were cancelled and rescheduled and 15 were not attended (reported as “Did Not Attend” appointments). Of the 102 appointments made in the months July – August 2018 with the previous provider OH Assist, 76 were attended and 26 cancelled, 25 of which were at short notice.

3.8 During this reporting period there have been 2 physiotherapy assessments delivered to individual employees compared to 5 in the last reporting period.

3.9 There were 85 Did Not Attend/Cancelled appointments over this period. There were 98 for the previous reporting period. While this is a significant reduction from the previous reporting period this figure is still of concern.

3.10 To mitigate this issue in future, a number of actions have been taken:

- Clusters have been back-charged for the non-attendance of their employees in the anticipation that senior managers will act to reduce this figure by improving communication and encouraging attendance at Occupational Health appointments.
- Weekly meetings with the new provider have been scheduled to further improve communications to employees. It is hoped that by ensuring that employees receive sufficient notice of an Occupational Health appointment, that is scheduled for a time suitable for both the employee and the referring Cluster to attend, there will be a resultant reduction in Cancelled and “Did Not Attend” appointments

- Discussions are ongoing with the provider to develop an electronic booking system to improve appointment attendance

3.11 Of those attending Occupational health appointments, the top 3 reported reasons for referral were Mental and Behavioural disorder, Musculo-skeletal disorders and Gastrointestinal disorders. To reduce the instances of referral for these reasons a number of actions are proposed –

- Implementation of a Mental Health Action Plan aimed at pre-empting the development of absence causing mental health issues
- Monitoring of referral reasons by Cluster to allow for targeted interventions.
- The development and usage of specific toolkits aimed at reducing the incidence of both musculoskeletal and gastrointestinal absence and their consequent referral to Occupational Health services. These are contained in the Absence Report being brought to this committee in January 2019.

4. FINANCIAL IMPLICATIONS

4.1 There are no direct financial consequences resulting from this report. However, in terms of cost to the Council, sickness absence is a key issue. As such, the provision of an effective Occupational Health service is in order to minimise:

- absence costs,
- service disruption due to employees being absent,
- overtime/agency staff costs,
- early return to work by employees,
- increased productivity,
- insurance costs,
- employment tribunals / claims, and
- staff turnover and thus lower recruitment costs.

4.2 In the Occupational Health contract there are set levels of maximum usage against various services. e.g. management referrals, ill health retirements and health surveillance. Where the usage volume exceeds that of the level stipulated in the contract any service delivery over and above these volumes will incur additional charges. To monitor any over contract level service delivery the Council receives, on a monthly basis from the provider, a separate invoice detailing any activity over and above that detailed in the Occupational Health contract.

5. LEGAL IMPLICATIONS

5.1 Under the Health & Safety at Work Act etc 1974 and Equality Act 2010 there is a legal requirement to ensure the health, safety and welfare at work of our employees and to consider any health issues that might affect an employee's ability to safely fulfil their job. Employers are under a statutory duty to make such reasonable adjustments as are required to remove any substantial disadvantage faced by employees who are disabled (in terms of the Equality

Act 2010) compared with a non-disabled employee. The definition of a “disability” under the Equality Act 2010 includes any physical or mental impairment which has “...a substantial and long-term adverse effect on...[a person’s]...ability to carry out normal day-to-day activities”. The definition is therefore sufficiently wide to include a number of relatively common health complaints which are long term in nature. There is also a requirement to ensure that an organisation has access to competent advice such as occupational health. This provides line management with independent advice to enable them to make an informed decision on any recommended employee adjustments or adaptations. It is good practice for managers to seek input from occupational health professionals prior to implementing reasonable adjustments or adaptations (in order to help assess the feasibility and expected efficacy of such measures). Managers at the Council are encouraged to proceed in this way if they are required to make reasonable adjustments to assist an employee.

5.2 The provision of, or access to, an occupational health service is in line with guidance produced by the HSE as one of the measures to control related risk and ensure legal compliance with health surveillance.

5.3 Failure to comply with legislation in ensuring a safe and healthy workplace has the potential to result in investigation and potential enforcement action by the HSE. It is noted that in many cases non-compliance with health and safety laws amounts to a criminal offence for which the offender can be prosecuted. Enforcement action includes fines, imprisonment and remedial orders. Where the Council is investigated by the HSE the HSE will charge the Council for the time spent by their staff conducting the investigation notwithstanding the imposition or otherwise of a sanction, therefore even where no fine is levied there may still be a financial cost to the Council if the HSE conducts an investigation. There is also the possibility of employees making a civil claim, which is more likely to succeed following a successful HSE prosecution. Enforcement action or an employee claim is likely to attract adverse publicity in the media and therefore presents a reputational risk to the Council. Access to a competent occupational health service can be used as mitigation against HSE prosecution and thus subsequent potential claims from employees for unfair dismissal or exposure to work related ill health.

6. MANAGEMENT OF RISK

6.1 The risks with the potential to impact the decision being sought from the Committee are categorised as:

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	If no action is taken to support individuals and address trends, then the organisation will incur both direct and indirect costs.	M	Implementation of corporate health and safety policy and related procedures to ensure a safe and mentally healthy workplace.

			Identification of and address of root causes and trends.
Legal	Non-compliance with legal requirements if specialist occupational health recommendations and referral trends are not acted upon. No mitigation of potential challenge and subsequent claims. Poor management of the work-related risks has the potential to lead to investigation, enforcement action (Criminal and Civil) fines and claims.	M	<p>As above.</p> <p>Provision of specialist clinical support and advice via a competent occupational health service which provides clinical based recommendations that enable informed decisions on workplace employee support.</p> <p>Undertaking of employee occupational health referrals in relation to work related issues and acting on clinical recommendations.</p> <p>Implementation and completion of health surveillance programme.</p>
Employee	If the right support is not provided it can lead to ill health and further employee absence incurring direct and indirect costs. The longer an employee is absent the more likely it will impact on an employee's health and wellbeing and the less likely that they will return to the workplace.	M	<p>As above.</p> <p>Take a proactive approach to managing workplace risk and supporting employees with adjustments to comply with legislation.</p> <p>Provision of information, instruction and training as identified in Job Profiles, skills and training matrices and in risk assessment.</p> <p>Open and clear two-way communication at all levels within the organisation.</p>

Customer	Reduced quality of service delivery owing to the lack of resource. No assurance of a safe and healthy employee workplace.	M	As above.
Environment	No risk or impact was identified.	-	-
Technology	No risk or impact was identified.	-	-
Reputational	Without ensuring suitable employee support there is a risk of the organisation not being seen as an employer of choice resulting in recruitment and retention issues. Any enforcement action taken against the Council or claims by employees are likely to attract adverse media attention.	L	As above.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Occupational health is a fundamental part of the process in managing absence. An occupational health provider will assist in having a workforce which is healthier, happier and better motivated, which is essential to the sustainability of high quality services. This in turn has a corporate social responsibility ripple effect impacting on the health of the wider community. An occupational health service supports keeping people well at work both physically and mentally. They provide critical support to the process of effective absence management and increase the numbers of employees returning to work earlier. This keeps our employees healthy and safe whilst in work while also managing any risks in the workplace that are likely to give rise to work-related ill health. This in turn ensures the way that they contribute to the local economy is not affected, both in their Council role and in their personal lives. Research shows that good

	<p>health is good for business and healthier workplaces have better financial results. Early intervention can help prevent staff being absent for health-related reasons and improve opportunities for people to recover from illness while at work. Research shows that the longer people are off sick, the less likely they are to make a successful return to work. After six months absence from work, there is only a 50 per cent chance of someone making a successful return. By taking a proactive approach to health, safety and wellbeing the “public pound” will be used effectively thereby reducing lost resource through incurring direct and indirect costs.</p>
<p>Prosperous People</p>	<p>As an organisation the Council considers the health of its workforce to be paramount and a key element in service delivery. This focus is one element in having an engaged workforce and all the additional benefits associated with this.</p> <p>An effective occupational health service will assist in providing clinical based, timely support reducing long term sickness and related absence. It will provide advice about how work affects a person’s health and vice versa. Their independent advice will enable line management to make informed decisions on how to prevent work-related illness and make sure someone is fit to work. Being in ‘good’ and stable work is beneficial to health and well-being, and for those on long-term sick leave, getting back to work is a very important part of the recovery process.</p> <p>By reducing the impact of work-related issues and ill health we can substantially reduce the negative impact of such issues on employee productivity, efficiency and overall behaviour at work. The result of which should be better service delivery.</p>
<p>Prosperous Place</p>	<p>The Council is required to keep employees healthy and safe whilst in work and manage any risks in the workplace that are likely to give rise to work-related ill health. An occupational health provider fulfils this and the statutory requirement to have access to ‘competent’ occupational health advice as part of the organisational arrangements.</p> <p>The Council, in conjunction with an occupational health service, can protect and promote the health and well-being of employees, creating a healthier workplace and a healthier workforce, which will also</p>

	<p>protect and enhance our image and reputation as a good employer.</p> <p>Any detrimental effects caused through poor health of employees impacts on the provision of public services. An engaged workforce is best-placed to provide good service delivery to the residents of the City. This would result in positive public opinion, which would be of benefit to the City, that can extend outwardly to visitors and businesses seeking to inwardly invest. Through early intervention on absence, the impact on the local economy and drain on other public sector services can be reduced.</p>
Enabling Technology	<p>The use of a digital solutions has assisted in delivery of the service. The use of a portal providing an electronic booking system and access to reports improves the speed of accessibility. The majority of appointments are conducted by telephone to remove the need for employees and the medical professionals to travel thus saving the time and additional effort for both parties.</p>

Design Principles of Target Operating Model

	Impact of Report
Workforce	<p>Approval of the recommendations for the Chief Officer for People and Organisation to request and review evidence from Functions on the actions taken to support individuals in attending Occupational Health appointments and for the Chief Officer for People and Organisation to monitor reasons for the use of Occupational Health services and to develop and propose actions aimed at reducing this usage. would assist in reducing the risk of lost resource through, for example, absence, enforcement action and potential claims. The early addressing of issues has the potential to reduce impact on employees and the wider community thus reducing demands on other public-sector organisations.</p>
Process Design	<p>This can allow the committee to identify where processes are failing to address health and safety risks and improve wellbeing.</p>
Partnerships and Alliances	<p>This allows Trade Unions, elected members and officers to collaborate.</p>

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Data Protection Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not Applicable

9. BACKGROUND PAPERS

ACC Management Information pack: Q4 October 2018. Provided by Iqarus.

Aberdeen City Council Executive Summary Jul – Aug 2018. Provided by OH Assist

10. APPENDICES (if applicable)

N/A

11. REPORT AUTHOR CONTACT DETAILS

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