

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**CORPORATE LEADERSHIP TEAM'S
REPORT TO FINANCE, ASSETS AND PERFORMANCE COMMITTEE**

26 June 2023

Report Title: Addendum Item: Additional Information for Agenda item 4: Financial and Performance Review Report – 4th Quarter 2022-23

Submitted by: Leader of the Council

Portfolios: One Council, People & Partnerships, Finance, Town Centres & Growth

Ward(s) affected: All

Purpose of the Report

To provide the Committee with further detailed information in support of the Q4 Finance and Performance Report

Recommendation

That Members note

1. The contents of the attached report and appendices and comment accordingly.

Reasons

This report provides further information on the funding arrangements for major projects across the Borough and the Council's response to workforce sickness absence. This information supplements the Q4 Report on Finance and Performance which is on the Agenda for this Committee.

1. **Background**

- 1.1 The Council has secured more than £50m in government funding to drive the transformation of the local economy, forming the basis of growth plans for the next four years. Appendix A provides further detail on the individual schemes and funding pots.
- 1.2 The Borough Council has a target of 8.8 days for sickness absence and the year-end result was 14 days. The additional information attached at Appendix B provides further insight into sector comparisons and the actions being taken to bring this level down.

2. **Proposal**

- 2.1 That Members note the contents of the attached report and Appendices A and B, and comment accordingly.

3. **Legal and Statutory Implications**

3.1 None from this report.

4. **Equality Impact Assessment**

4.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably due to protected characteristics. There are no differential equality issues arising directly from this report.

5. **Financial and Resource Implications**

5.1 There are no additional implications from this report.

6. **Major Risks**

6.1 No new major risks have been identified.

7. **UN Sustainable Development Goals and Climate Change Implications**



8. **Key Decision Information**

8.1 This is not a key decision.

9. **Earlier Cabinet/Committee Resolutions**

9.1 N/A

10. **List of Appendices**

10.1 Major Projects Funding (Appendix A) and Sickness Absence (Appendix B).

11. **Background Papers**

11.1 Working papers held by HR and Finance.

Appendix A - Major Projects Funding

- 1.1 The Council was awarded Future High Streets Fund funding in June 2021 of £11.0m to progress projects to help future economic growth. £7.9m has been received to date of which £5.4m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Ryecroft	3,756	2,688	1,068
Multi Story Car Park	3,500	585	2,915
York Place	3,015	1,928	1,087
Stones Public Realm	321	-	321
Market Stalls	76	-	76
Project Management	380	224	156

- 1.2 £23.6m was awarded to the Council via the Town Deals Fund for Newcastle. £12.5m has been received to date of which £0.9m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Digital Infrastructure	2,285	-	2,285
Sustainable Public Transport	3,421	-	3,421
Electric Vehicle Charging	400	-	400
Pedestrian Cycle Permeability	950	-	950
Transform Key Gateway Sites	3,810	-	3,810
Astley Centre for Circus	1,810	12	1,798
Digital Society	3,510	252	3,258
Heart into Knutton Village	3,534	157	3,377
Cross Street, Chesterton	2,955	-	2,955
Project Management	925	525	400

- 1.3 £16.9m has also been awarded via the Town Deals fund for Kidsgrove. To date £7.9m has been received of which £6.6m has been spent as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
Kidsgrove Sports Centre	2,328	2,328	-
Chatterley Valley West	3,661	3,661	-
Kidsgrove Station	3,658	147	3,511
Shared Services Hub	6,183	17	6,166
Canal Enhancement	400	-	400
Project Management	670	409	261

- 1.4 The Council has been awarded £4.8m over a 3-year period of UK Shared Prosperity Funding as part of the government's mission to level up opportunity and prosperity and to overcome geographical inequalities. 25 projects have been identified for which spend has commenced. The 2022/23 allocation of £0.6m has been received, total spend to date amounts to £0.3m as shown below:

Project	Award (£000's)	Spend/Ordered (£000's)	Remaining (£000's)
CML Community Hubs	6	3	3
Newcastle 850 Anniversary	20	20	-
Nature and Wellbeing	22	13	9
Canal Connectivity	102	5	97
Clough Hall Park	234	-	234
Cold Night Shelter	160	-	160
Mental Health Worker	86	7	79
Nature Recovery	265	85	180
Epicentre for Circus	100	8	92
Homelessness Hub	955	12	943
Beat The Street	23	20	3
New Vic Theatre - 850 Event	10	-	10
Volunteering for all	71	19	52
Discharge Officer	86	7	79
BES Enterprise Coaching	89	2	87
Kidsgrove Town Hall	250	19	231
Security Marshalls	32	12	20
Flourishing Keele (KU)	466	6	460
Moving Ahead (KU)	454	5	449
Advanced Digital Technologies	627	2	625
BIC Innovation and service	279	-	279
Chamber Growth Hub	59	-	59
Brampton Wedding Venue	54	28	26
Technical Innovation upskilling	129	-	129
Project Management	193	75	118

- 1.5 Several projects within the Town Deals and Future High Streets Fund (e.g., Multi Story Car Park, Ryecroft Development, York Place and Chatterley Valley) will require further funding from the Council in addition to the government grants, this will include the Council borrowing to fund these projects.
- 1.6 The public works loan board borrowing rate is subject to change daily and could have a significant impact on the financial viability if increases in interest rates are forthcoming or may result in considerably less costs in the instances of lower rates being obtained when borrowing is required. Additionally, the level of inflationary demands is also considered on a project-by-project basis.
- 1.7 Rigorous financial challenge and monitoring of each project's expenditure will be required in both the interim and during subsequent construction phases. Financial monitoring will continue to be reported as part of the scrutiny process and will also form part of the quarterly financial report to Cabinet.

Sickness Absence Summary June 2023

1. Introduction

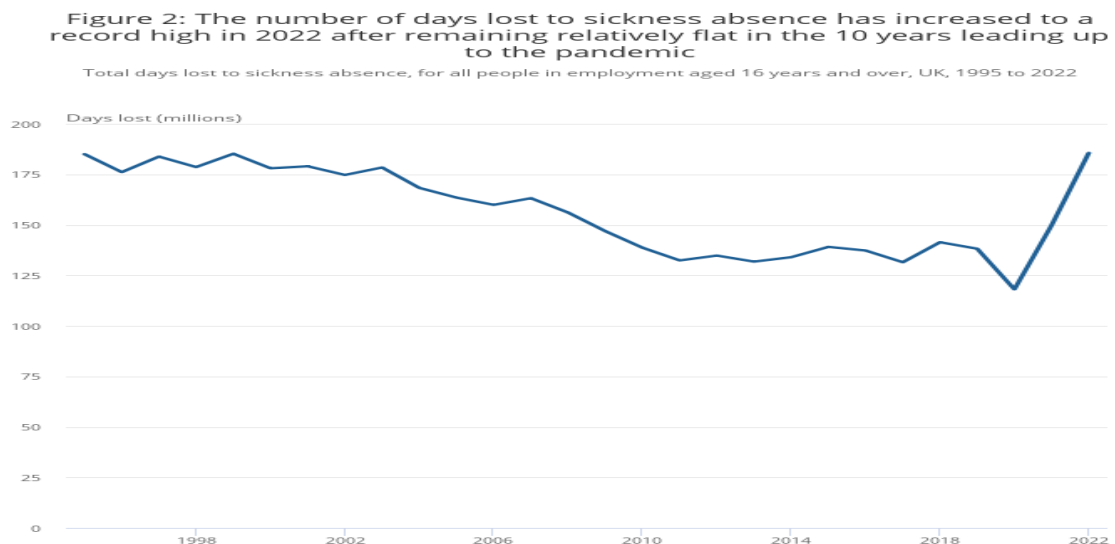
Sickness absence at NULBC is higher than we would want it to be at an average of 14 days lost per employee per year.

There are a number of contributory factors to this, some of which are local and some which are played out on the national scale.

We are working to reduce the absence both through preventative and cultural improvements, but also improved management processes.

2. National Picture

2.2 National data (taken from the Sickness Absence in the UK labour Market ONS 2022 survey¹) shows that 2022 has seen a record high in absence rates and it is likely that this trend continues and impacts into 2023.



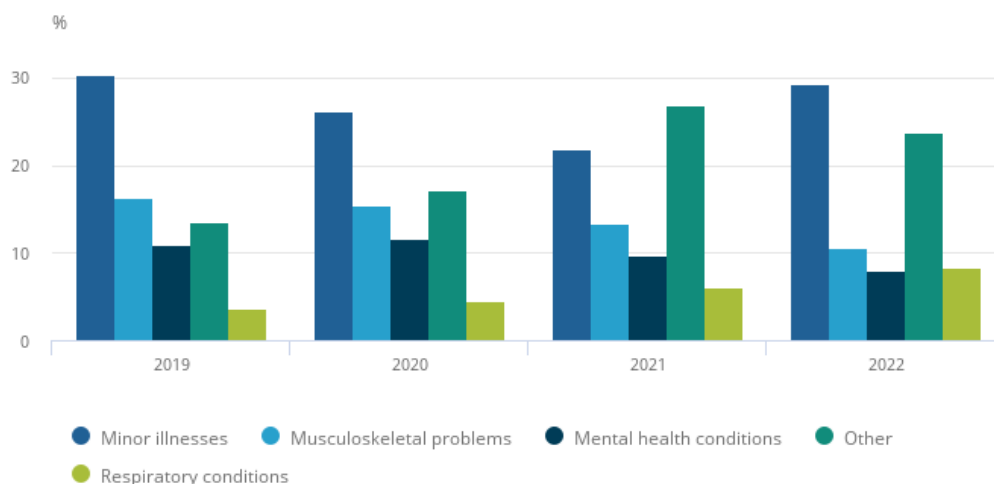
Source: Labour Force Survey from the Office for National Statistics

This is undoubtedly a legacy of the pandemic which physical and mental ill health having increased due to the unprecedented circumstances.

2.3 Our current highest reasons for long term are sickness back and spinal and mental health absences. This is consistent with other local authorities as well as the UK workforce overall as ONS statistics show Minor Illnesses, Musculo skeletal problems, Mental Health Conditions, and Respiratory conditions as the top identifiable reasons for absence.

Figure 3: “Respiratory conditions” has overtaken “mental health conditions” to become the fourth most common reason for sickness absence in 2022

Percentage of occurrences of sickness absence, by top five reasons in 2022, UK, 2019 to 2022

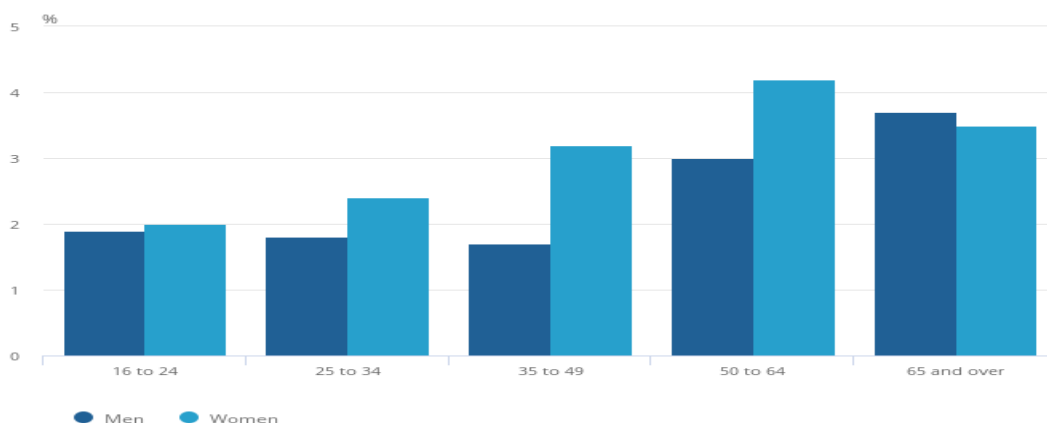


Source: Labour Force Survey from the Office for National Statistics

2.4 Nationally, groups with the highest rates of sickness absence in 2022 included women, older workers, those with long-term health conditions, people working part-time, and people working in care, leisure, or other service occupations. These groups are strongly represented amongst our workforce.

Figure 4: The sickness absence rate was higher for women in most age groups in 2022

Sickness absence rate, by age group and sex, UK, 2022

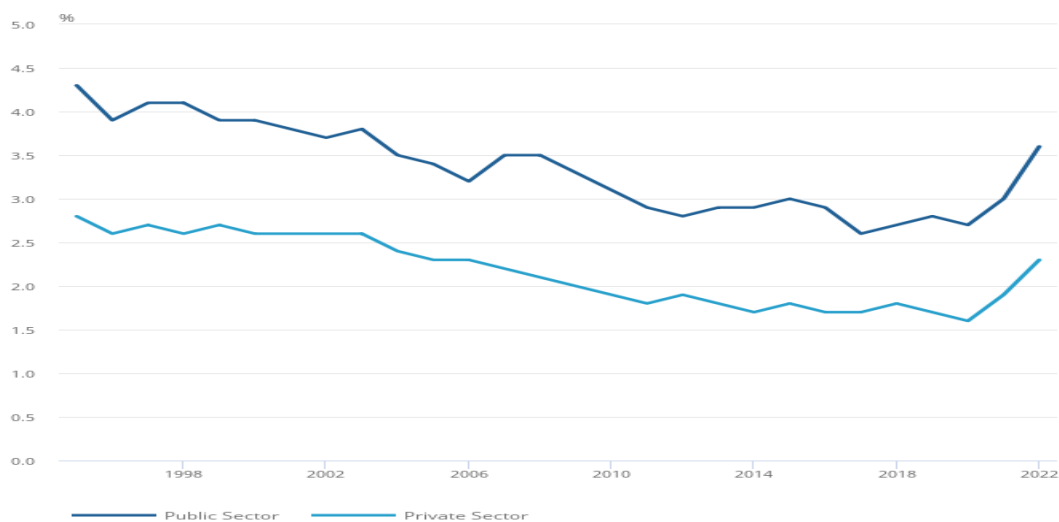


Source: Labour Force Survey from the Office for National Statistics

2.5 As a subset of the national picture, public sector absence exceeds private sector absence significantly across all areas:

Figure 7: The sickness absence rate has been consistently higher for public sector employees

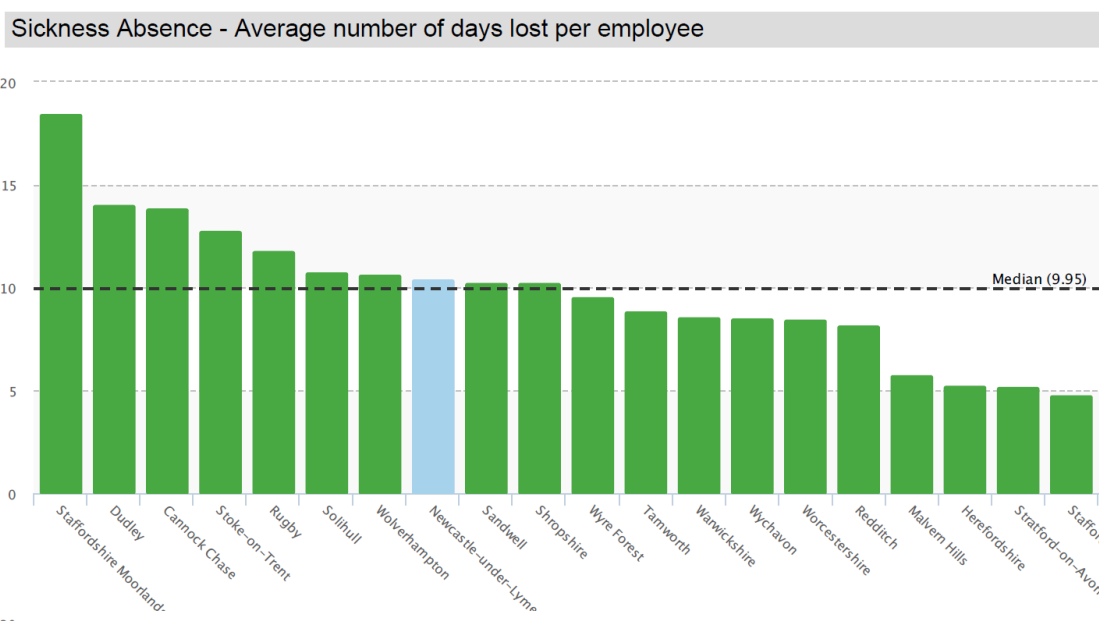
Sickness absence rate, by public and private sector, UK, 1995 to 2022



Source: Labour Force Survey from the Office for National Statistics

3. Sector-specific Picture

3.1 In terms of a comparison against local authorities, benchmarking information shows that in the period (21/22) we are not a major outlier in terms of absence rates.



3.2 What must also be highlighted is that the areas where we expect and do see more sickness absence (in terms of the type of work and the demographic of the workforce) we have in house whereas many other authorities outsource, thereby skewing the figures somewhat.

3.3 Contributing to the rise in our absence as reported is the fact that over the past 3 years, we have made significant improvements to our capture, analyse and reporting of sickness information. We know, through examination of individual cases that previously not all sickness absence was effectively recorded. As we have introduced absence reporting on MyView we are now more confident that the figure reflects the actual picture across services.

3.4 Absences at NULBC have also in some cases been extended due to delays in provision of NHS services, diagnostics and treatment; and we are actively looking at ways in which we can support colleagues to be treated more quickly including scoping potential for in house physiotherapy services.

4. Actions

- We have developed a targeted sickness action plan which seeks to address causes of absence (and therefore preventing staff from becoming unwell) such as our health and wellbeing work, DSE assessments, training and support around mental health matters.
- We are developing support to managers in terms of managing absence when it does occur and ensuring staff are supported as best we can to bring them back to work. This will include focussed training for managers on delivery of return to work interviews, occupational health referrals, DSE assessments and managing sickness reviews.
- We have achieved the Foundation status of Thrive which is an accreditation programme designed to support employers to improve their health and wellbeing offer and engage more effectively with employees. We are now working towards silver level accreditation.
- We offer reduced membership of J2 and a referral scheme for those on long term sick to receive free membership
- We have recently launched our lunch time yoga sessions and are exploring free access for staff for online classes at J2.
- We have held a number of health check days and have recently launched our 'Get Healthy' challenge in which aim to lose 850lb across the council during the year.