

Decision Maker:	Employment Committee
Subject:	Sickness Absence
Date of Decision:	15 th January 2013
Report By:	Jon Bell – Head of HR, Legal & Performance
Wards Affected:	N/A
Key Decision:	N/A

1. Purpose of Report

The purpose of this report is to:

- (i) Advise members of the sickness absence levels for the second quarter of 2012/13
- (ii) Advise members about actions currently being undertaken in the HR, Legal and Performance Service to support managers in tackling sickness absence
- (iii) Advise members about changes to the Occupational Health service provision

2. Recommendations

Members are recommended to:

- (i) Note the current levels of sickness absence across the council
- (ii) Note the actions being taken by HR staff in support of managers in tackling sickness absence
- (iii) Note changes being made to the Occupational Health Service

3. Sickness levels for Quarter 2 (1st July 2012 to 30th September 2012)

3.1 The current level of sickness absence is 10 days on average per employee per year. This represents a slight deterioration on the previous quarter (9.4 days). The most common reason for sickness is stress, anxiety and mental health. Unfortunately, due to recent changes to service structures, it is not possible to provide a breakdown of absence rates across services in this quarter. However, this information will be provided to future meetings.

3.2 Internal Audit recently reviewed the arrangements for recording sickness absences. While they could find no evidence that sickness was not being properly recorded by managers, they equally could find no assurance that the

process for recording absence is always followed. They also identified that, while there is a considerable amount of scrutiny of sickness absence by members and senior management, there is relatively little visibility of other types of absence, e.g. special leave and unpaid leave.

3.3 Managers have been reminded of their responsibility to record all absences, and future developments of the Oracle system will make the process easier for managers to follow.

4. Actions to Support Managers in Tackling Sickness Absence

4.1 While responsibility for managing sickness absence rests firmly with managers across all council services, Human Resources have a key role to play by:

- Providing the “tools” that managers need to manage absence effectively
- Proactively ensuring that managers are doing all they can to tackle absence
- Supporting and advising managers through informal and formal procedures
- Promoting good practice in absence management and ensuring that successful techniques are shared across the council
- Ensuring that absent staff are treated fairly and compassionately, and ensuring that correct processes are followed
- Leading programmes and initiatives to improve the wellbeing and engagement of staff
- Arranging referrals to the Occupational Health service

4.2 Some other councils have achieved significant success in reducing sickness absence, and there are some clear themes that emerge from the approaches they have taken:

- Re-framing the idea of “absence management” into one of “promoting attendance” – i.e. what are the things managers need to do to keep people at work, preventing absence and, when it does occur, getting people back to work quickly
- Clarity of roles and accountabilities – what are the responsibilities of the employee, the manager, and the HR service
- Clear senior officer ownership of the issue as a priority – the issue is championed by the senior management team and embedded in performance management arrangements, with targets managers being given targets to reduce sickness rates

4.3 From this, a renewed, more proactive approach by Human Resources has been developed, with HR staff working with managers to help them tackle sickness absence within their teams. This support includes:

- (i) Advising managers about reducing absence through flexible work options, such as working from home
- (ii) Proactively challenging managers to take action where appropriate and ensuring that adequate support and advice is available
- (iii) Targeted interventions in areas where absence levels are high
- (iv) Ensuring that sickness absence is reviewed regularly at team meetings etc
- (v) Finding out which processes help or hinder managers in tackling sickness absence
- (vi) Analysing the reasons for absence in each area and recommending appropriate changes to working environment, support, training etc
- (vii) Ensuring that managers understand the procedures to follow and tools available for tackling absence
- (viii) Working with a lead manager within service areas to “champion” absence management within the service
- (ix) Ensuring that managers have a proper understanding of the role of the Occupational Health adviser, so that referrals are only made when necessary and are not just seem as a procedural requirement.

4.4 It is too early to assess the effect of these measures on absence rates, but initial feedback from managers across the organisation is extremely positive.

5. Wellbeing Initiatives

5.1 Wellbeing plays an important part in maintaining a healthy and motivated workforce, which in turn helps to reduce sickness absence. Recent research by the Chartered Institute of Personnel and Development found that, despite the challenging financial climate, those organisations that properly evaluated their wellbeing spend were more likely to have increased that spend in 2012, and were likely to increase it further in 2013.

5.2 Although the council has made some modest investment in wellbeing over the years, it is difficult to evaluate the impact this had had on employee engagement and staff sickness. However, the recent employee opinion survey has shown that a significant proportion of staff feel that the council does not do enough to look after their wellbeing.

5.3 The council is repeating the popular and highly-regarded “Wellbeing Week”, which includes voluntary health-checks for staff. It has also recently introduced a policy to buy additional leave. Further proposals and policies to promote wellbeing will continued to be developed and brought to members for approval at future meetings.

6. Further Analysis of Sickness Absence

6.1 While robust management support (as detailed in section 4) and wellbeing initiatives (section 5), should play a significant part in reducing sickness absence, further work is required to properly understand all aspects of sickness absence: its causes, impacts, and the effectiveness of the approaches the council is taking. Examples of issues requiring further analysis are:

- (i) The relationship between sickness levels and levels of motivation/staff engagement. The results of the recent employee opinion survey will be used to inform this analysis
- (ii) The impact of budget savings and service changes on sickness levels, e.g. are sickness rates higher amongst those staff at risk of redundancy, or are staff suffering increased levels of stress due to heavier workloads
- (iii) Understanding which management approaches work best, and how these can be applied across the organisation
- (iv) The impact of wellbeing initiatives on sickness rates, and whether increasing expenditure on wellbeing would represent good value for money
- (v) Whether flexible working arrangements have had a positive effect on attendance, and whether those services with higher rates of absence could make more use of flexible working as a way of reducing absences
- (vi) The relationship between sickness absence and performance management – whether sickness absence is more common in low-performing teams/individuals, and whether it is linked to action being taken by managers to address under-performance
- (vii) The relationship between sickness absence and other types of absence (e.g. special leave and unpaid leave), and whether sickness absence can be reduced by adopting a more flexible approach to allowing time off for staff to cover emergencies, childcare etc.

6.2 Work has commenced within the HR, Legal and Performance Service to analyse these aspects of sickness absence and the results of this work will feed into the development of future strategies and procedures. Members will be kept informed about this work as it progresses.

7. Occupational Health Service Update

7.1 Members received an update on the Occupational Health Service at the meeting on 8th June 2012. That report also made members aware of changes to the service, including the introduction of an in-house “triage” service.

7.2 Recruitment difficulties have prevented the service developing in the way originally envisaged. However, by working closely with service managers across the organisation, HR staff have been able to drive down the number of occupational health referrals, and increase the value to the service managers of those that are made. The emphasis is now placed on resolving issues at managerial level and only making referrals to occupational health where absolutely necessary, and where the outcome of the referral is likely to genuinely assist a resolution. While some managers do occasionally express frustration with the service, the general view across the organisation is that the occupational health service has significantly improved in terms of referral times and quality of output.

7.3 The current contract for the externally provided Occupational Health service is due to expire in July 2013 and work is underway to explore options for future provision.

8. Equality Impact Assessment

A preliminary Equalities Impact Assessment has been carried out.

9. Legal Considerations

There are no legal considerations arising directly from this report. Appropriate legal advice will be taken before any resultant changes to employment policies are made.

10. Head of Finance's Comments

There are no financial implications arising from this report

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Signed by: Jon Bell

Background List of Documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Internal Audit Report into Absence Management	Internal Audit Team

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The recommendation(s) set out above were approved/approved as amended/deferred/rejected by

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Signed by: