

Agenda item: 

**Title of meeting:** Employment Committee

**Date of meeting:** 3<sup>rd</sup> March 2015

**Subject:** Sickness Absence - Quarterly Report

**Report by:** Jon Bell - Head of HR, Legal & Performance

**Wards affected:** N/A

**Key decision:** No

**Full Council decision:** No

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## 1. Purpose of report

The purpose of this quarterly report is to update and inform Employment Committee on actions being taken that have an effect on the levels of sickness absence across Services.

## 2. Recommendations

- To continue to monitor sickness absence on a quarterly basis and to ensure appropriate management action is taken to encourage attendance.
- To maintain the current corporate sickness absence target at 8 days per employee per year and to continue focusing on maximising employee attendance.
- Note the introduction of the "Fit for Work" scheme

## 3. Background

- 3.1 In the period since the last update in early January 2015, the level of sickness absence has decreased slightly from 7.90 to 7.88 average days per person per year. This is against a corporate target of an average 8 days per person per year.
- 3.1.1 Absence levels by Services for the period from 01 February 2014 to 31 January 2015 compared to figures prepared in December 2014 are attached in Appendix 1.
- 3.1.2 Five of the 16 Service areas are over the corporate target of an average 8 days per person per year. This is a reduction since the last quarter. Three Services are over 10 days per person per year.

## **4 Review of Corporate Target**

- 4.1 At the Employment Committee on 6<sup>th</sup> January 2015 members asked officers to review the current 8 day corporate target in view of the fact that average levels of sickness across the council have fallen consistently, and are now below this level.
- 4.2 As stated above, the average number of days lost per employee over the past year is 7.88 days. This is a considerable reduction from previous levels, which exceeded 11 days, but still masks significant differences between different service areas. Generally sickness rates are lower amongst office-based staff, and higher amongst those who are working outside, or in regular contact with clients, as might be expected.
- 4.3 In 2013/14, members imposed a cash-limit reduction on those services who had higher levels of sickness. This reduction was based on the assumed productivity improvements that would be achieved if sickness was reduced to the 8 day target level, and was designed to provide an incentive to managers in those areas to ensure that sickness rates were reduced. Whilst sickness rates in those services (and in other services) have continued to improve, it is not possible to attribute this improvement directly to the cash-limit reduction.
- 4.4 Trades Unions have consistently expressed concern that the use of targets can cause managers to adopt unfairly robust approaches to managing sickness, and focus attention too much on dismissing staff rather than supporting them back into work. Union officials have been asked to provide examples of this occurring.
- 4.5 The average number of separate occurrences of sickness across the council is 1.51 per person per year, with no service averaging more than 2 instances per employee per year.
- 4.6 In the context of this information, it is unlikely that a general reduction of the corporate target will have a significant impact on sickness levels. Those services that are already well-below the existing target will not be affected by a reduction to the 8 day target, and those that are already above the target will require continued and sustained effort in order to reduce absence rates even to the existing 8 day target level.
- 4.7 It is proposed, therefore, that:
- all service managers continue to be encouraged to reduce absence
  - those services with sickness currently above the 8 day level are targeted and supported to reduce absence rates further, and in particular to the 8 day level
  - those services with lower levels of absence continue to be monitored, and any significant increases brought to Members' attention

- 4.8 At Employment Committee on 6<sup>th</sup> January 2015, Members identified that with some services, such as Adult Social Care and Schools, there are direct costs resulting from sickness absence, in the form of temporary staffing costs. Members asked whether there was more that could be done to support managers and staff in these areas in order to reduce these direct costs.
- 4.9 A number of support activities are already provided for these (and other) services:
- The council employs a People Handling & Back Care Advisor who provides advice and training in Services where high levels of muscular skeletal absences are recorded. This is a significant cause of absence in the Adult Social Care Service.
  - The council has already invested in an Employee Assistance programme via Right Management. This offers the workforce 24/7 information, advice and support across the work life spectrum, focusing on health and wellbeing and ensures appropriate support and early intervention is available when required.
  - Members have been made aware that 21.8% of council employees, excluding schools, have taken advantage of free flu vaccinations. There are Services with high levels of sickness absence with low uptake of flu vaccinations, although it is not possible to determine how many employees have received their flu vaccinations via GPs or a local pharmacy. Increased marketing pre-2015 campaign in these areas may assist in reducing sickness absence by reason of cold/flu/virus.
  - Stress awareness training is available for managers and employees
- 4.10 It is possible for these services to be increased, e.g. to increase the availability of back-care advice, provide additional marketing for flu jabs, and increase the uptake of stress-awareness training. It has proved difficult in the past to ensure that staff who work outside of the Civic Offices are made aware of all the services provided to staff and managers, and for them to have access to them. HR will continue to work with managers to ensure that this is addressed. Whilst the impact of this on absence rates (and therefore costs) may be difficult to quantify, it is important for to do all it can to support managers and staff in all those areas where absence rates remain high.
- 5. Occupational Health / Fit for Work**
- 5.1 As reported at the last Employment Committee, Health Management Limited has been appointed to deliver Fit for Work in England and Wales on behalf of the UK Government.
- 5.2 Fit for Work is a new free service, funded by the Government, which helps employees to stay in or return to work. It will be phased in by May 2015 and

includes two elements: advice and referral. The Department for Work & Pensions has published guidance notes for employees, employers and GPs on its website.

- 5.3 Employees will normally be referred by their GP but an employer can make a referral after four weeks of absence. Employees can refuse to consent to a referral. The Fit for Work assessment will usually be done over the telephone and will result in a plan to get the employee back to work. The employee has to agree to the plan being shared with their employer and GP. The employer does not have to accept the plan or implement any of its recommendations.
- 5.4 Employees will be automatically discharged from Fit for Work;
- Two weeks after they have returned to work (including a phased return)
  - When Fit for Work decides there is no further assistance they can offer the employee
- 5.5 The new service is designed to complement, not replace, existing Occupational Health provision. By nature of the way the council refers employees to Occupational Health, that provision is in a better and more informed position to advise managers and support employees. The Occupational Health provision is not time bound unlike Fit for Work, thus they will be able to provide advice to managers on an ongoing basis.
- 5.6 HR will be reviewing and updating the Managing Absence policy to reflect the new Fit for Work service.

## **6. Reasons for recommendations**

The continued monitoring of sickness absence and the identification of good management practices is an important part of maximising attendance, which will in turn increase productivity, improve engagement and build resilience.

## **7. Equality impact assessment (EIA)**

A preliminary Equality Impact Assessment has been completed.

## **8. Legal implications**

There are no immediate legal implications arising from this report.

## **9. Finance comments**

There is no significant cashable saving resulting from the reduction in sickness absence. However there will be an improvement in productivity in terms of total days worked.

Signed by:

**Appendices:**

Appendix 1: Sickness Absence by Service

**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
Fit for Work Guidance	<a href="https://www.gov.uk/government/collections/fit-for-work-guidance">https://www.gov.uk/government/collections/fit-for-work-guidance</a>

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

.....  
Signed by: