

VALUE OVERVIEW & SCRUTINY COMMITTEE

REPORT

13 February 2014

Subject Heading:

Managing Sickness Absence

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Policy context:

SUMMARY

This report provides members with an update on sickness levels following the previous Overview and Scrutiny data provided on levels of absence and reiterates the work being undertaken to reduce the number of days off work. It also highlights the wellbeing measures we are putting in place to help prevent ill health and encourage a healthier workforce.

RECOMMENDATIONS

Members are asked to review the report and note its content.

REPORT DETAIL

Background

Our current position within Havering Council and managing absence is above target, however, is on the way to improving.

Sickness absence is calculated using the following formula i.e. *Total number of working days lost (FTE) / total number of employees (FTE)*. The methodology changed in 2013/14 to include former Homes in Havering staff and this has had an adverse impact on performance.

The three most common causes of absence for all staff are stress, other and musculoskeletal problems. This is in line with the Absence Management Annual Survey Report 2013 by the Chartered Institute of Personnel and Development (CIPD). Members will be pleased to note that although average figures are quoted, there are over 40% of staff who have had no absence in the last year. The figures are often skewed by long term cases, with those off with potential life threatening illnesses, including cancer and Parkinson's disease.

We are showing average figures comparative to the CIPD 2013 Survey Report with the average absence levels within the public sector being 8.7 days per employee per annum. The HR Benchmark Performance Indicators 2012 Local Government Report, show an average of 9.8 days. There has been a national upward trend in sickness across the sectors, following the previous two years which showed a downward trend.

The two graphs at appendix 5 and 6 show that significant numbers of councils across London have shown an increase in sickness since last year. This is highly likely to be due to the restructures which have been carried out both in Havering and across other councils and the amount of redundancies, including compulsory redundancies, which have resulted. It must be acknowledged that employees are under significant pressure to deliver the same services (or more) with less capacity, whilst also going through periods of uncertainty themselves of not knowing if they will have a job.

Whilst acknowledging that sickness, both nationally and within comparative London Councils, has gone up, a concerted effort has started to ensure that sickness is managed.

Another significant impact on our figures has been the return of the ALMO which had higher average sickness and this has resulted in the overall figures increasing.

Sickness policy

A new corporate sickness absence procedure was implemented in 2012 and as a consequence all line managers were expected to attend mandatory training to ensure the changes and expectations were known. Each manager has access to a dashboard of information on their employees to ensure they have the data to manage their own areas.

Absence and Wellbeing Strategy

However, as absence levels have increased from the previous year, we are currently in the process of implementing improvements looking at how we can further reduce our absence levels. There is obviously an adverse impact on service delivery should sickness levels not continue to fall to a satisfactory level.

We will be implementing an overarching absence and wellbeing strategy which will also link into public health to coordinate a corporate approach to managing absence. Part of this will include line manager's actions being reviewed by senior management to ensure a consistent and fair approach is being taken. A communication campaign targeted across the council will highlight sickness to all staff and health initiatives which will be introduced should promote wellbeing. It is important to note that 'presenteeism', where people attend work when they are unwell, has been shown to be as costly to organisations both through lack of productivity and passing on their illness to a wider group of staff who are also impacted. A sustained approach to wellbeing is therefore important to reduce and sustain lower levels of sickness.

Management responsibilities

A management development programme has commenced this month which will outline expectations and support to managers. Return to work interviews are expected for each absence to ensure that the reasons for absence are known and that correct action under the procedure is taken. This has been well researched as one of the most effective ways of managing absence from work. Managers need to ensure that they are aware of why their staff are absent in order to look at preventative measures and individuals need to know the impact of them being off as well.

Of the 39 staff who have been absent over 100 days, 27 of those have now left the Authority; this will start to impact on the rolling year figures.

Improvement Initiatives

- Introduction of a streamlined managing sickness absence policy and the creation of a supporting toolkit which includes guides for managers and template letters. This allows managers to manage both short and long term sickness flexibly and more readily consider if return to work is likely and if not gives a clear indication of how the cases need to be managed.
- Improvements to the online management information (dashboards) – managers have been provided with more flexibility in how they can utilise absence data reports in the Managers' Dashboard with opportunities for drilling down into absence data.
- Creation of 'i-Bots', automatically generated information for managers responding to certain types of absence in the Oracle system. For example if an entry is made into the system regarding an absence due to stress, it gives the manager all the information in one easy place about how to support and return the employee to work as soon as possible.
- New Employee Assistance Provider (WSM) recently procured with a promotional awareness campaign to staff covering areas impacting on personal and workplace issues.
- Flu inoculations have been offered to all staff, not only those usually within GP targeted groups. Further work will be undertaken to look at the impact of this initiative to ensure value for money on the anticipated direct impact of a reduction in absence due to flu

Future improvement Initiatives

- Absence and wellbeing strategy design and implementation
- On-going delivery of sickness policy training to all managers, including new managers.
- As part of the change to One Oracle, revised guidance will be provided to Managers in the practical management of sickness recording and monitoring.
- Joined up Wellbeing initiatives with Public Health colleagues. Operational HR will work with Public Health and our Occupational Health provider Medigold and our Employee Assistance Programme provider to produce proactive wellbeing initiatives to prevent absences.

- Quarterly joint working with other local authorities such as Redbridge, Barking & Dagenham, Waltham Forest and Newham to share good practice and drive down costs through shared initiatives.
- Consideration of a Health Panel of senior managers to review initiatives to further support managers in managing sickness absence in their teams.
- Application for award of the Workplace Wellbeing Charter, similar to Investors in People. This is an opportunity for employers to demonstrate their commitment to the health and well-being of their workforce and further reduce absence levels. It is important to not only reduce sickness but to prevent it happening in the first place through health campaigns
- Proactive targeting of 'hot spots' of absence to provide further support to managers. This approach will be used to look at and reduce the sickness in the ex ALMO areas.
- Further work on resilience of staff through individual awareness campaigns and utilising free toolkits and linking to Management Development Programme.
- A broken down "League Table " of sickness levels will be sent to Heads of Service to provide an opportunity for CMT to maintain a strategic overview and challenge the corporate position.

These improvement initiatives will enable Havering Council to expand and support employees and managers on a more advanced level and decrease absence.

Sickness data

The following appendices highlight the instances of short and long term and comparative data for the current and previous rolling year. It is important to note that some figures will change each month as data is inputted and long term absences close off. The data shown on the pie chart for long and short term split is also data from April 2012 to March 2013, as this breakdown is not available in the current dashboard reporting.

Changes in departmental breakdown of data provided to senior managers has also been influenced by the corporate restructure last year where staff have moved departments and directorates and return of the ALMO, as those staff have now been incorporated into other service areas.

IMPLICATIONS AND RISKS

Financial implications and risks:

Any member of staff off sick has a direct impact on service delivery and may require on occasion an additional resource to cover the absence. The total annual cost to the Council of sickness absence has been calculated at £2,009,585 and falls in the second quartile of London Boroughs.

Legal implications and risks:

There are no legal implications arising from this report.

Human Resources implications and risks:

Managers work with Occupational Health to ensure staff are managed and supported in accordance with their individual medical issues. A toolkit is provided to managers to ensure a consistent approach is taken. A future well-being strategy which is being implemented should help prevent ill health incidences.

Equalities implications and risks:

It is important that staff are managed in line with procedures to ensure fairness and equity. Any person who has a disability is covered by the Equality Act 2010 and the Council must ensure it gives consideration to any reasonable adaptation.

BACKGROUND PAPERS

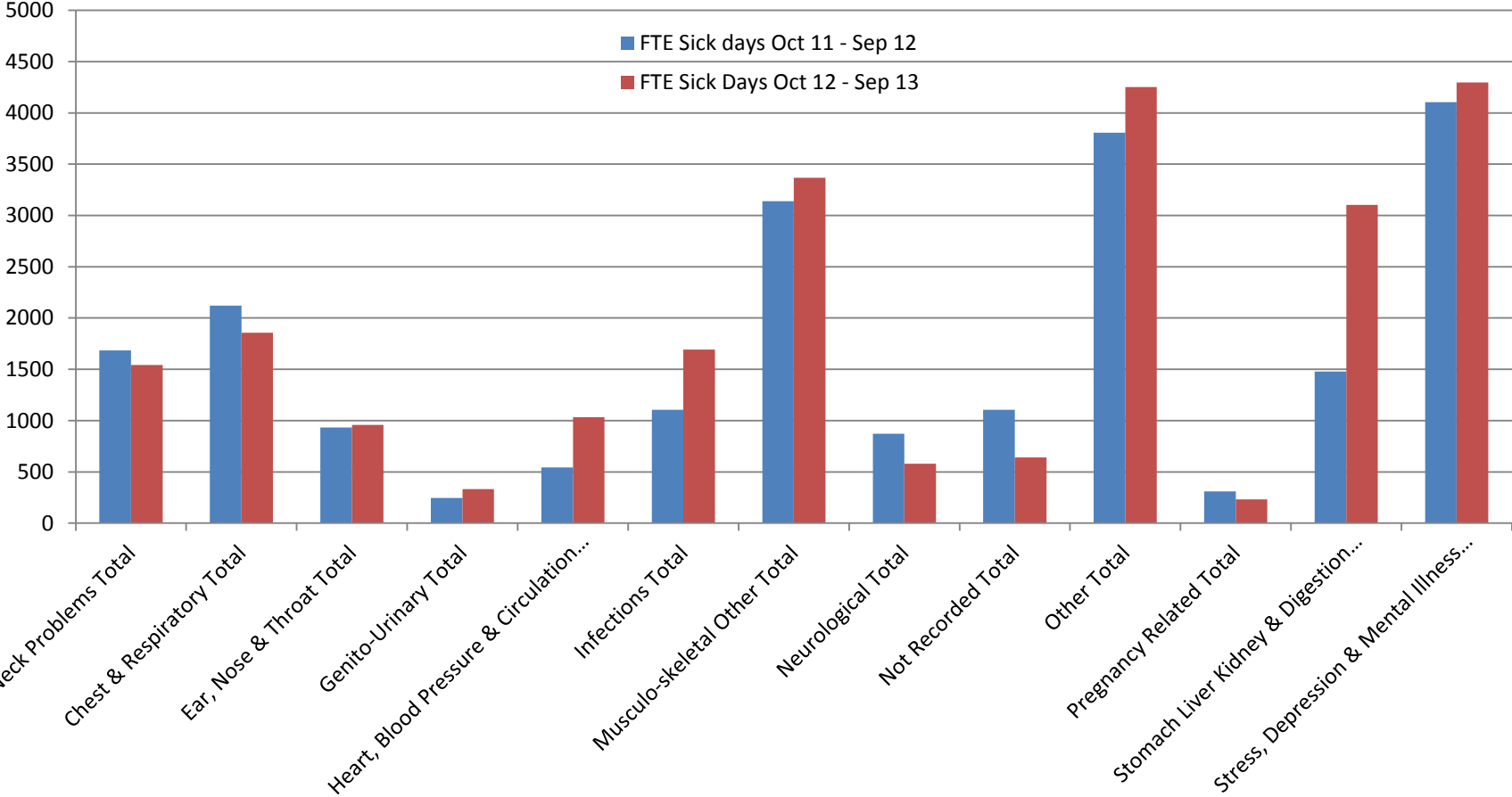
Appendices

1. FTE Sick Days Oct 11 – Sep 12 compared to FTE Sick Days Oct 12 – Sep 13
2. Long and short term by category April 2012 – March 2013
3. Total percentage long/short term split April 2012 – March 2013
4. Percentage of long and short term sickness absence by sickness category April 12 to March 2013 (exc staff over 100 days who have left)

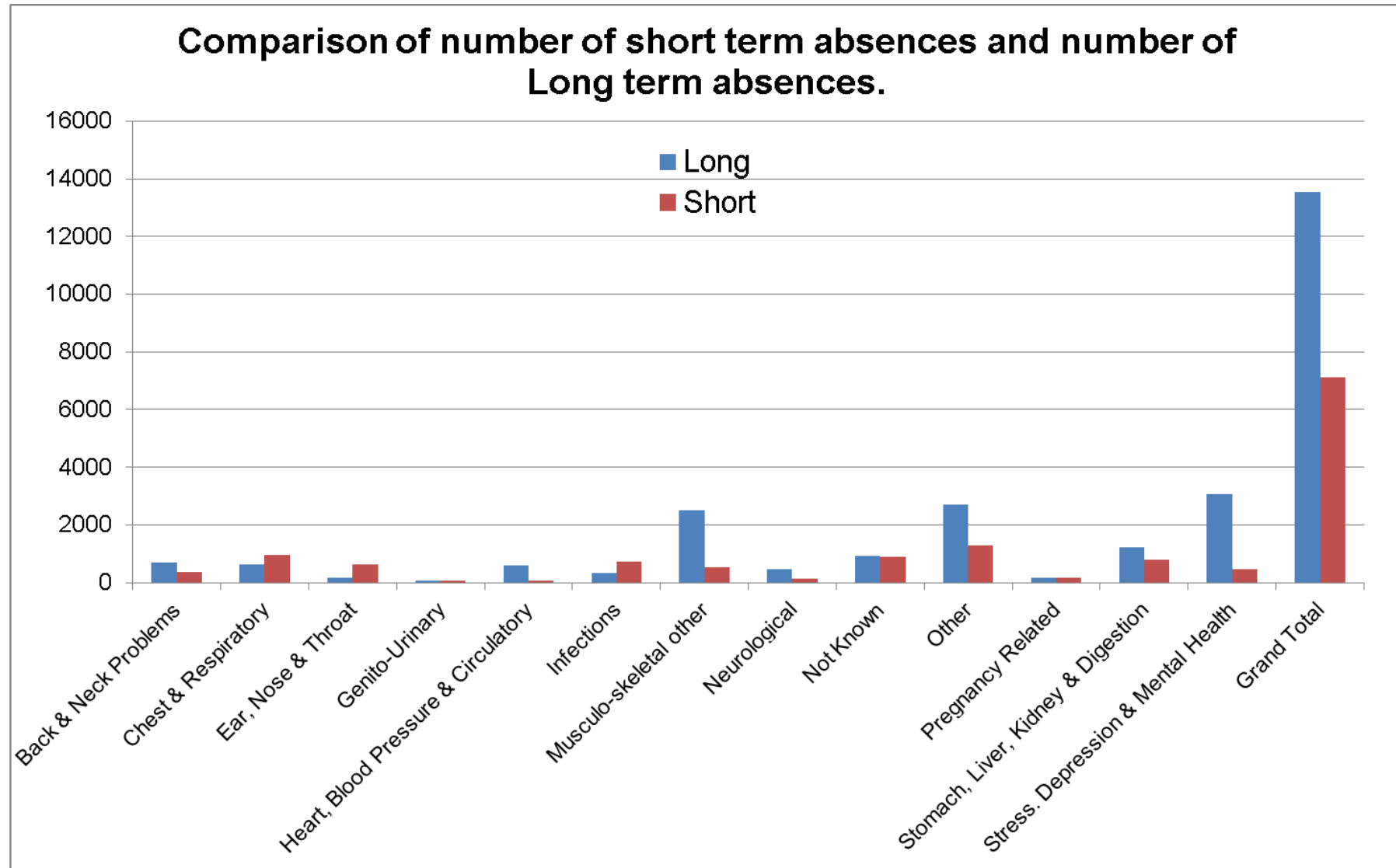
5. Sickness Absence London Councils - Average number of days lost per employee
April 2012 – March 2013
6. Sickness Absence London Councils - Average number of days lost per employee
April 2011 – March 2012

Appendix 1 - FTE Sick Days Oct 11 - Sep 12 compared to FTE Sick Days Oct 12 – Nov 13

FTE Sick Days Oct 11 - Sep 12 compared to FTE Sick Days Oct 12 - Sep 13

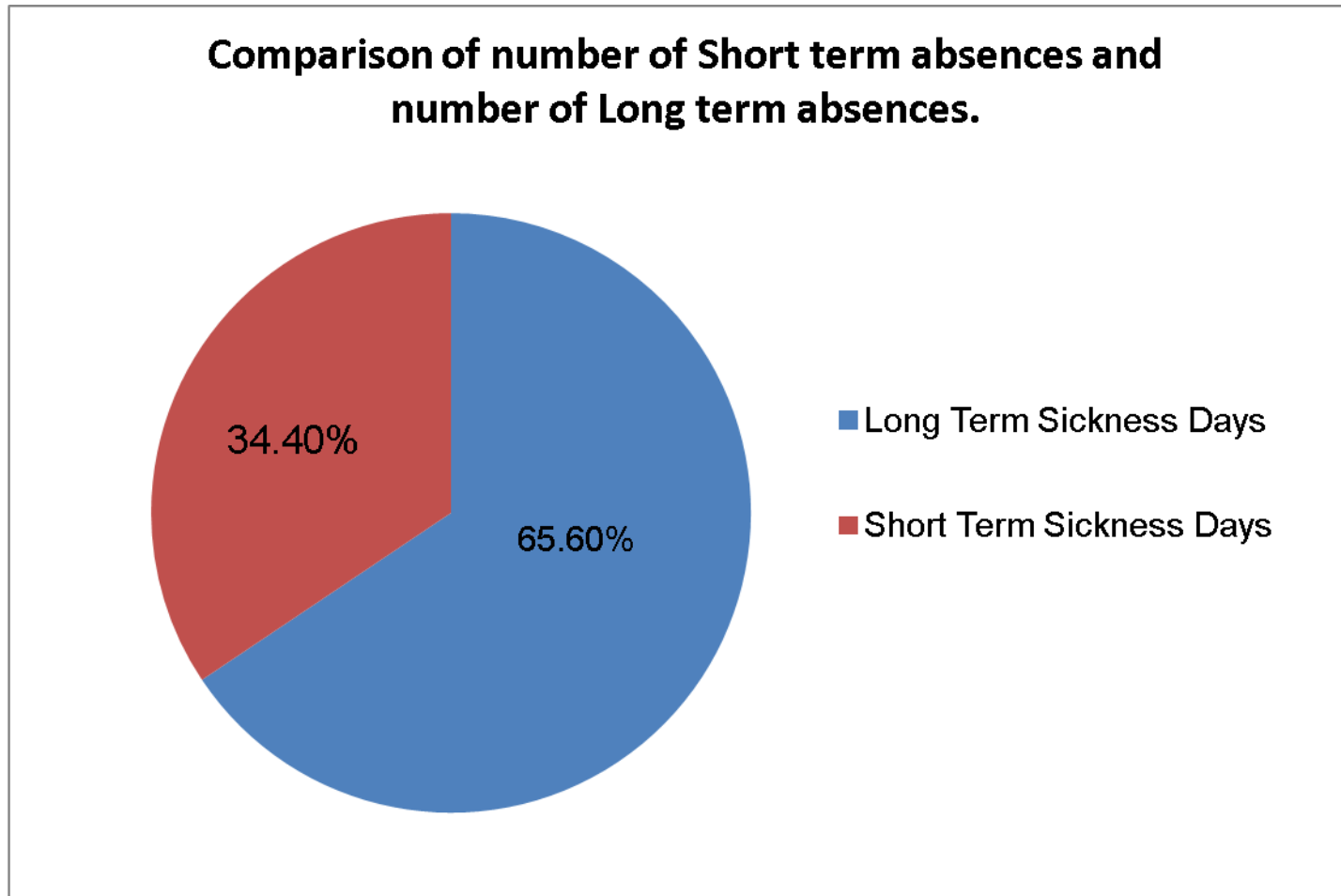


Appendix 2 - Comparison of Short term absences and Long term absences by category April 2012 – March 2013



Appendix 3 - Comparison of number of Short term absences and number of Long term absences

April 2012 – March 2013



Appendix 4 - Percentage of long and short term sickness absence by sickness category

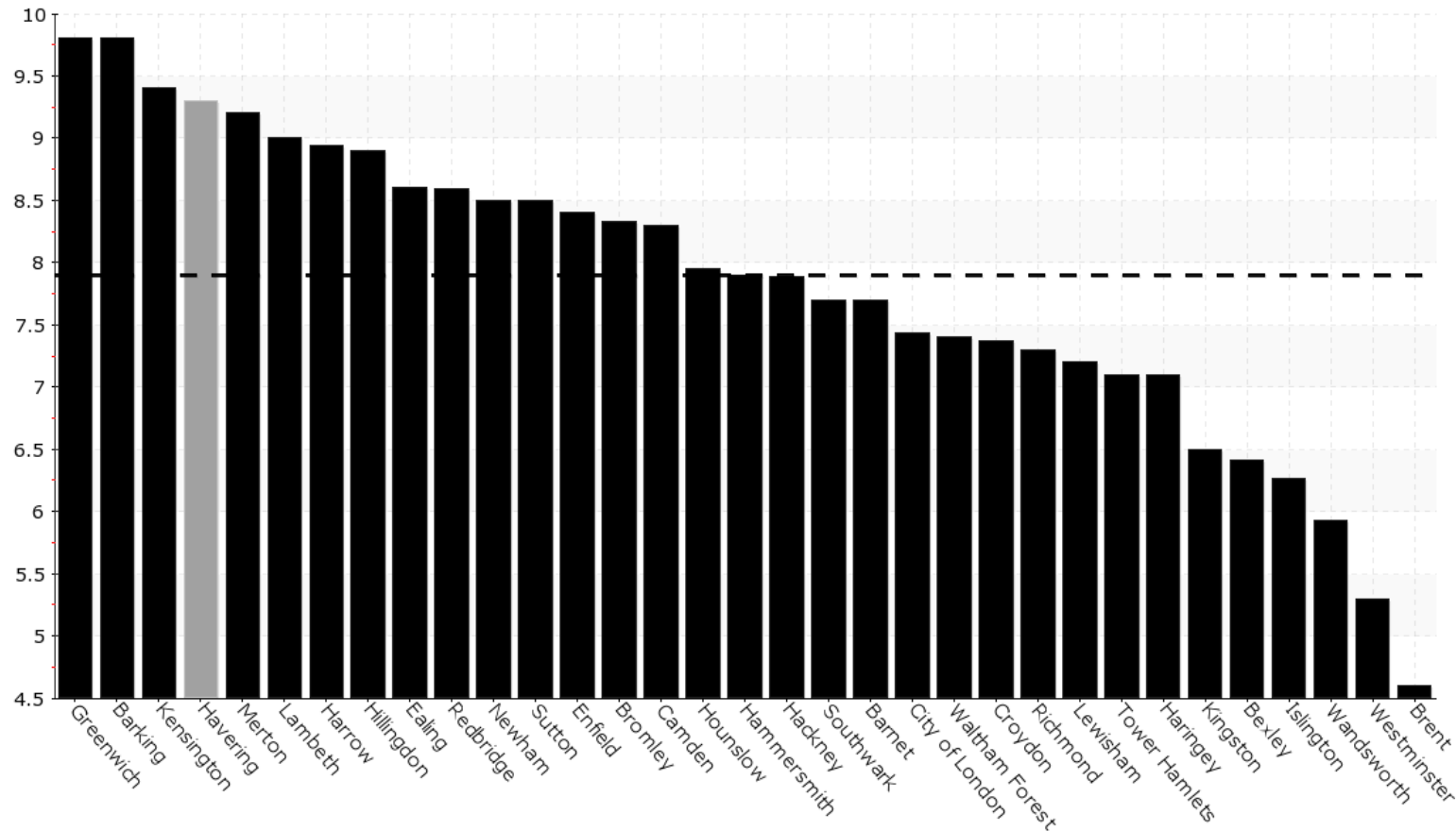
April 12 to March 2013

Percentage of sickness absence per reason	Long or Short		
	Long	Short	Total
Absence Category			
Back & Neck Problems	58%	42%	100%
Chest & Respiratory	29%	71%	100%
Ear, Nose & Throat	22%	78%	100%
Genito-Urinary	47%	53%	100%
Heart, Blood Pressure & Circulation	77%	23%	100%
Infections	23%	77%	100%
Musculo-skeletal Other	76%	24%	100%
Neurological	39%	61%	100%
Pregnancy Related	50%	50%	100%
Stomach Liver Kidney & Digestion	50%	50%	100%
Stress, Depression & Mental health	83%	17%	100%
Not Known	48%	52%	100%
Other	61%	39%	100%
Grand Total	57%	43%	100%

STAFF OVER 100 FTE DAYS ABSENCE AND NO LONGER EMPLOYED HAVE BEEN REMOVED, THEREFORE PERCENTAGE BREAKDOWN OF LONG AND SHORT DIFFERS FROM PIE CHART ABOVE WHICH SHOWS 12 MONTH ROLLING FIGURE

Appendix 5 Sickness Absence - Average number of days lost per employee April 2012 – March 2013

The following analysis includes data from all London Borough Councils.



Havering Council's average number of days lost per employee of 9.3 falls in the fourth quartile of all the London boroughs, and the fourth quartile for outer London. Havering's average number of days lost per employee has risen since the last survey in 31st March 2012, when it was 8.2, a rise of 13.4%. *excludes Councils that did not submit data by the deadline for this metric, ie: Barnet, Hammersmith and Fulham, Kensington and Chelsea, Redbridge*

Appendix 6 Sickness Absence - Average number of days lost per employee April 2011 – March 2012

