Report to:	**Overview and Scrutiny**
Date:	**24 August 2017**
Title:	**Sickness Absence Monitoring**
Portfolio Area:	**Support Services**

Wards Affected:	**All**

Relevant Scrutiny Committee:

Urgent Decision:	**N**	Approval and clearance obtained:	**N/A**

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Recommendations:

1. That the Council continues to proactively manage and monitor short and long term absence, and that the HR Lead Specialist continues to report to Senior Leadership Team each month.

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1. **Executive summary**

1.1 The Committee has requested a report on the level of sickness absence amongst Council employees and the measures in place to manage and monitor short and long term absence.

1.2 The report provides an analysis of sickness absence during the first quarter of 2017/18 and draws a comparison with absence levels in the same quarter over the past four years.

1.3 The main finding of the analysis is that short term absence rates remain constant but the increase in overall absence rates is attributable to an increase in long term absence.

1.4 The report also provides a summary of the measures taken by the Council to manage short and long term absence.

2. Background

2.1 The Labour Force Survey 2016 provides the most recent data and analysis of absence rates in the wider economy. The Survey estimated that 137.3 million working days were lost due to sickness or injury in the UK in 2016. This is equivalent to 4.3 days per worker.

2.2 Minor illnesses (such as coughs and colds) were the most common reason for sickness absence in 2016, accounting for approximately 24.8% of the total days lost. This was followed by musculoskeletal problems (including back pain, neck and upper limb problems) at 22.4%. After 'other' conditions, mental health issues (including stress, depression, anxiety, and serious conditions) were the next most common reason for sickness absence at 11.5%.

2.3 In Local Government, an average of 2.7% of all working hours was lost to sickness absence in 2016. However, it should be noted that comparisons drawn from national or sector surveys or from other organisations can be misleading as they often calculate absence rates differently. It should also be noted that the figures used in this report are the latest figures and may be different from previously reported as they will include all absences that occurred in the period, even where the absence was reported after the quarterly statistics are compiled.

3. Overall absenteeism at South Hams

3.1 The total number of days lost to absence during the quarter April to June 2017 was 1,149.5. This equates to 5% of total working days and is the equivalent of 3.29 working days per employee in quarter 1, or 13.1 days per annum days if projected over 12 months. Although this is above the Local Government figures stated above; it is less than the national average of 4.3 days per worker.

4. Comparison with previous years

4.1 The table below shows the total number, and average number, per employee, of days lost to absence in the corresponding first quarter of the last four years. It also identifies the total number of days lost to short and long term absence.

4.2 For the purposes of recording and reporting staff absence, we use the standard distinction that an absence is considered to be long term if it exceeds 20 working days.

4.3   The table below shows the incidences of short and long absence in the first quarter in each of the last years.

	14/15	15/16	16/17	17/18
Total days lost in Quarter 1	1,025	994.5	842	1,149.5
% of total days lost in Q1	4%	4.2%	3.9%	5%
Average days lost per employee in Q1	2.63	2.72	2.55	3.29
Total days lost to short term absence in Q1	301	208.5	267	261.5
Average days lost per employee to short term absence in Q1	0.77	0.57	0.81	0.75
Total days lost to long term absence in Q1	724	786	575	888
Average days lost per employee to long term absence in Q1	1.86	2.15	1.74	2.54
Ratio of days lost: short term to long term	1:2.4	1:3.8	1:2.2	1:3.4

4.4   The figures show a consistent pattern of absence in the three years to June 2016. The figures for the current year show an increase in both short term and long term absence, with an increase in the percentage of overall days lost to 5%.

5.   Absence by reason

5.1   The table below shows the number of days lost to absence in the first quarter of the last 4 years by sickness category. The categories used are the standard ones commonly used in the wider economy.

Reason for absence	2014/15	2015/16	2016/17	2017/18
Back & Neck	147	128	57	19
Musculo-Skeletal	209	75	100	198
Stress & Depression	245	255	120.5	413
Infections	40	14	22	14
Neurological	51	68	51	78
Genito-urinary	3	0	10	5
Pregnancy related	8	0	0	6
Stomach, liver,	82.5	25.5	145	22

kidney digestion				
Heart, blood pressure	1	65	0	5
Chest respiratory	57	44	35	113
Eyes, ear, nose, dental	9	13	26	1
Others	172.5	307	275.5	275.5
Total	**1,877.5**	**1,682**	**1,408.5**	**2,023.5**

6.   Analysis of absence data

6.1   The overall increase in absence in the first quarter of 2017/18 compared to the same period in 2016/17 is attributable to long term absence.

6.2   The number of days lost to short term absence remained static, whilst the number of days lost to long term absence increased by 313. This is also reflected in the increase in the ratio between short term and long term absence, with 3.4 days lost to long term absence for every day lost to short term absence in 2017/18, up from 2.2 days in the corresponding quarter in 2016/17.

6.2   The increase in absence is largely attributable to Musculo-Skeletal conditions (up 98 days), Stress and Depression (up 292.5 days), Chest and respiratory (up 78 days).

6.3   Of the 198 days lost to Musculo-skeletal conditions, six employees in Commercial Services accounted for 152 days as part of long term absence.

6.4   Of the 113 days lost to chest and respiratory conditions, two employees in Commercial Services accounted for 76 days as part of long term absence.

6.5   Of the 413 days lost to stress and depression, eight employees accounted for 393 days as part of long term absence. Of those eight employees, five work in Commercial Services. Whilst some absence recorded as stress and depression is related to the workplace, some is related to non-work related issues, such as family or financial pressures.

6.6   An analysis of the data therefore reveals that the increase in overall absence is largely due to the long term absence of 16 employees, whilst there is no increase in the incidence of short term absence.

7.   Short term absenteeism

7.1   During the quarter April to June 2017, the total number of days lost due to short term absence was 261.5 days.

7.2 The average period of short term absence per employee for the quarter was 0.75 days.

7.3 Over a 12 month period, this gives an annual average number of days lost to short term absence of 3.00 days per employee. This compares with 3.23 days lost in 2016/17, 2.28 days lost in 2015/16 and 3.1 days lost in 2014/15.

7.4 The data reveals that short term absence is consistent.

8. Managing short term absenteeism

8.1 The Council's approach to managing short term absenteeism is captured in the Managing Attendance Policy. The policy includes a number of measures designed to help understand the reasons for absence and to enable relevant intervention to prevent further occurrences of absence.

8.2 An employee who is unfit for work must contact their line manager in person. The line manager should seek to find out the reason for the absence, the likely duration, and whether there are any work commitments that need managing during the absence.

8.3 If the absence persists, the employee should keep in contact with their manager. If the absence goes beyond 7 days, the employee is required to attend their GP and send in a Fit Note.

8.4 On return to work, the line manager will conduct a return to work interview. This is a critical stage in managing absence as it provides the opportunity for the line manager to gain an understanding of the nature of the absence, identify any emerging patterns of absence, and, where appropriate, initiate close monitoring of future attendance.

8.5 The line manager records the absence in W2 and keeps the record updated. It is possible to track all absences through W2 and it allows oversight on whether the measures discussed above are being carried out.

8.6 Line managers receive monthly reports from HR showing all absences within their team. The report also shows the 'Bradford Factor' for each individual. The Bradford Factor is a widely accepted tool that calculates a score based on the number of absences and the number of days absent. It is therefore an effective tool for identifying individuals who have regular short periods of absence.

8.7 Where the Bradford Factor score is above the threshold set by the Council, the line manager is prompted to consider the reasons for the absences and to take appropriate action where necessary.

8.8 Where attendance is unsatisfactory, an individual can be placed under a period of close monitoring during which their attendance is

kept under review. Where there is no improvement in attendance, the individual will be placed under a further period of close monitoring and, if attendance remains at an unacceptable level, the Council will consider dismissal on the grounds of capability.

8.9   A proposal to shorten the periods during which attendance is monitored in the Managing Attendance Policy is currently subject to consultation with the Trade Unions.

9.   Long Term Absenteeism

9.1   During the quarter April to June 2017, the total number of days lost due to long term absence was 888 days. The average period of long term absence per employee for the quarter was 2.54 days.

9.2   Over a 12 month period, this gives an annual average number of days lost to long term absence of 10.17 days per employee.

9.3   The figures for long term absence are significantly higher than for short term absence. This is, in part, because our workforce has two of the main characteristics that research has shown contribute to long term absence; a high average age and a large proportion engaged in manual work.

9.4   In a relatively small workforce, an instance of long term absence also has a significant impact on reported absence figures.

10.   Managing Long Term Absenteeism

10.1 Long term absence is closely managed by line managers with the support of HR Business Partners.

10.2 Where appropriate, referrals are made to Occupational Health to understand the nature of the condition, the likely duration of the absence, and any measures we can take to facilitate an early return to work. Since April 2016, we have engaged a new occupational health provider, IMASS, and they provide a robust and efficient service.

10.3 Where possible, reasonable adjustments are agreed to facilitate an early return to work, although this can be difficult if there is a recommendation for lighter duties within Commercial Services.

10.4 Where there is no prospect of a return to work, the Council can dismiss the employee on the grounds of capability. However, it is important that the Council acts reasonably if it moves to dismiss and may be liable for a claim of unfair dismissal and/or discrimination on the grounds of disability.

11.   Ill-health retirement

11.1 Where an employee may not be able to return to work due to ill health we consider whether they are eligible for ill-health early retirement.

11.2 The Council takes a considered opinion, based on the eligibility criteria in the Local Government Pension Scheme (LGPS) and informed by an Independent Medical Practitioner's opinion.

11.3 Where we are able to support ill health early retirement, an employee who is a member of the LGPS will have their pension benefits released early. The level of benefit is dependent on the nature of the illness and the prospects of a return to paid employment in the future. For the most severe cases, the pension benefits are calculated based on an employee's normal retirement age. The Council does not occur a pension strain cost in such circumstances.

12.   Staff Survey

12.1 The survey had an excellent response with 85% of the non-manual workforce completing the questionnaire. Such a good return means that we have a really credible set of results to show how the organisation is doing. As far as was possible the questions replicated the questions which we asked staff 12 months ago so we have been able to show where there has been an improved position. All questions bar one showed an improvement, some by 20 percentage points.

12.2 The questionnaire also covered some new areas – for example wellbeing and the role of the extended leadership team – both in response to the last survey and as we have moved to a period of greater stability.

12.3 The survey looked at the following key areas:
- Change
- Wellbeing/welfare
- My Job
- My role
- Leadership

A sample of the results compared with the 2016 survey are shown in the table 12.4. A full copy of the survey results and comparison (where applicable) with the 2016 survey is detailed in Appendix A.

12.4 Table showing a sample of the survey responses

	2016	2017
I believe I am coping well with all of the change that is happening at work.	Positive 72% Negative 28%	Positive 81% Negative 19%
It feels better working here now than it did 12 months ago.		Positive 62% Negative 38%
I am comfortable with the level of pressure placed upon me at work.	Positive 53% Negative 47%	Positive 56% Negative 44%
I think morale is good with the people I work with.	Positive 37% Negative 63%	Positive 48% Negative 52%
I enjoy my job.	Positive 76% Negative 24%	Positive 84% Negative 16%
I feel supported to do my job.	Positive 57% Negative 43%	Positive 73% Negative 27%
There are enough people to get the job done.	Positive 24% Negative 76%	Positive 21% Negative 79%
I feel I am able to speak up and challenge the way things are done at the Council.	Positive 63% Negative 37%	Positive 75% Negative 25%
I would recommend working here to a friend.	Positive 50% Negative 50%	Positive 68% Negative 32%
I believe that actions are taken as a result of staff surveys in this organisation.	Positive 49% Negative 51%	Positive 72% Negative 28%

13. Proposed Way Forward

13.1 Health and Wellbeing

13.1.1 Following concerns raised in the recent staff surveys, a Health and Well-Being Strategy was developed and adopted in summer 2017.

13.1.2 The strategy identifies both what the Council is currently doing to support employee well-being and also initiatives that can be introduced to provide further support. A work plan has been developed and is driven by the Health and Well Being Community of Practice.

13.1.3 To date, we have put on training courses on issues such as Mindfulness and Managing Stress, and the Council will continue to offer similar opportunities.

13.1.4 Other initiatives included the offer of a 'health check' in the office carried out by our Leisure partners, regular 'walk and talk' sessions designed to encourage people to exercise and socialise during lunchtimes, and social activities organised by the Staff Forum.

13.1.5 Future initiatives are planned to encourage greater participation in sporting and leisure activities, and to raise awareness of issues such as mental health and improved diet.

13.1.6 The strategy is ambitious and flexible to respond to demand and staff suggestions. A copy of the strategy is attached for information as Appendix B.

13.2 Frontline Managers Development Programme

13.2.1 The Chartered Institute of Personnel and Development (CIPD) recognise that a significant component in the well-being of employees is how effectively they are managed.

13.2.2 The Health and Well-Being Strategy acknowledges this and a new development programme is being launched in September 2017 to provide all front line managers across the Council (team leaders, supervisors, and others with direct day to day line management responsibilities) with the tools to manage people more effectively.

13.2.3 A key part of the programme will be to equip managers to manage attendance fairly and robustly, and to identify and address stress at work.

13.3　Stress at work

13.3.1 The Council recognises the potential for work to impact on people's health, particularly in a time of considerable change.

13.3.2 During the T18 Transformation programme, the Council provided workshops for staff to help them manage change and to develop coping mechanisms.

13.3.3 Employees also have access to a confidential counselling service through our occupational health provider and, where appropriate, access to bespoke counselling services, such as a specialist provider of support for Post-Traumatic Stress Syndrome.

14. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Council has a 'duty of care' to employees which means they should take all steps which are reasonable possible to ensure their health, safety and wellbeing.
Financial	Y	In some circumstances, the work carried out by an employee absent through sickness will need to be covered by a temporary resource and the financial cost would potentially increase if the level of sickness absence significantly increased.
Risk	Y	Customer satisfaction and performance may be affected by staff absence and the risk will increase if sickness absence levels increased significantly.
Comprehensive Impact Assessment Implications		
Equality and Diversity	Y	Consideration is given to managing the absence of an employee with a disability in accordance with the Equality Act and best practice guidance.
Safeguarding	N	There are no Safeguarding implications.
Community Safety, Crime and Disorder	N	There are no Community Safety, Crime and Disorder implications.
Health, Safety and Wellbeing	Y	The Health, Safety and Wellbeing implications for staff are addressed in section 13 of the report
Other implications	N	

Supporting Information

Appendix A:
2017 Staff Survey results
Appendix B:
Health and Well Being Strategy

Process checklist	Completed
Portfolio Holder briefed	**Yes**
SLT Rep briefed	**Yes**
Relevant Exec Director sign off (draft)	**Yes**
Data protection issues considered	**Yes**
If exempt information, public (part 1) report also drafted. (Cabinet/Scrutiny)	**N/A**