

## **Report to the Cabinet**

**Report reference:** C-036-2010/11  
**Date of meeting:** 25 October 2010



**Portfolio:** Performance Management  
**Subject:** Sickness Absence  
**Responsible Officer:** Paula Maginnis (01992 564536).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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### **Recommendations/Decisions Required:**

(1) That Cabinet considers the report and agrees that action (f) in paragraph 13, review of the parameters of sick pay entitlements, be removed from the Key Performance Indicator Improvement Plan as recommended the Finance and Management Performance Scrutiny Panel.

### **Executive Summary:**

The report provides information on the Council's absence figures for 2009/2010, it includes absence figures by Directorate; absence by age and the reasons for absence. It also sets out proposed actions included in the LPI 28 Improvement Plan.

Currently, under the Council's Managing Absence Policy there are trigger levels for initiating management action in cases of excessive sickness absence. These are:

- (i) during any 'rolling' twelve-month period an employee has had 5 or more separate occasions of absence; or
- (ii) during any 'rolling' twelve-month period an employee has had at least 8 working days of any combination of un/self certificated, or medically certificated absences.

The Council's target for sickness absence under LPI28 is an average of 8 days per employee. The Outturn figure for 2009/2010 was 8.35 days, compared to 10.85 days in 2008/2009.

During this period approximately 20% of staff met the trigger levels or above, 44% had sickness but did not meet the trigger levels and 36% of staff had no sickness absence.

An Improvement Plan has been developed to continue to improve sickness absence across the Council. The Finance and Management Improvement Scrutiny Panel recommended at their meeting on 9 September 2010 that action (vi) was removed from the plan at this stage. The Panel concluded that trade union negotiations and the contractual issues would be lengthy and fairly complex and it would be more practical to see if a review of sickness entitlements is undertaken as part of national negotiations.

### **Reasons for Proposed Decision:**

To enable members to make decisions regarding actions to continue to improve the Council's absence figures.

### **Other Options for Action:**

To recommend that the Joint Consultative Committee consider reducing one or both trigger levels.

To not accept the recommendation of the report and substitute other options.

### **Report:**

#### Introduction

1. The Confederation of British Industry (CBI) has reported that in 2009 the average number of days taken as sickness absence in the public sector was 8.3 days and in the private sector 5.8 days. The figures for the public sector include the NHS, police, fire and rescue etc.

2. The latest figures published by the Industrial Relations Service (IRS) (for 2009) show that the average number of days taken as sickness absence in Local Government was 8.6 compared to 7.6 days across all sectors. In manufacturing and production the average number of days was 6.2 and in private sector services the average was 7.2 days.

3. Currently, under the Council's Managing Absence Policy there are trigger levels for initiating management action in cases of excessive sickness absence. These are:

(i) during any 'rolling' twelve-month period an employee has had 5 or more separate occasions of absence; or

(ii) during any 'rolling' twelve-month period an employee has had at least 8 working days of any combination of un/self certificated, or medically certificated absences.

4. In addition to the above a manager should consider referring an employee to Occupational Health when an employee has been absent from work for at least one month if there is no estimate when they will be fit to return, or if this is unlikely to be within a reasonable period.

5. In December 2006 Cabinet reduced the trigger level, for the number of working days to 8 days from 10 days. The trigger level for the number of occasions has remained the same at 5 during a rolling twelve-month period.

#### Quarterly Figures 2007/08 – 2009/10

6. During 2007 and again in 2009 there was a dedicated resource based in HR to monitor sickness absence and provide timely information to managers. In both these years there were significant improvements in the absence figures (See table 1). The outturn figure for 2006/07 was 10.89 days which reduced to 8.48 in 2007/2008, which was only 0.2 days above the target figure for that year. The outturn figure for 2008/2009 was 10.85 days which reduced to 8.35 in 2009/2010. The recent dedicated HR arrangements came to an end in March 2010 and a recruitment process is underway to fill this position on a permanent basis.

7. Table 1 below shows the absence figures for each quarter since 2006/07:

|                  | <b>Q1</b> | <b>Q2</b> | <b>Q3</b> | <b>Q4</b> | <b>Outturn</b> | <b>Target</b> |
|------------------|-----------|-----------|-----------|-----------|----------------|---------------|
| <b>2006/2007</b> | 2.67      | 2.94      | 3.28      | 2.0       | 10.89          | 8.48          |
| <b>2007/2008</b> | 2.19      | 2.02      | 2.26      | 2.01      | 8.48           | 8.29          |
| <b>2008/2009</b> | 2.35      | 2.55      | 3.14      | 2.81      | 10.85          | 8             |
| <b>2009/2010</b> | 2.29      | 2.02      | 1.88      | 2.16      | 8.35           | 8             |

#### Directorate Figures 2009/2010

8. Table 2 below shows the average number of days lost per employee in each Directorate. Attached at Appendix 1 is a graph representing the figures in table 2. As the figures show the performance of each Directorate varies, with only Environment showing a decrease over the 4 quarters; however the Directorate started at a high level.

| <b>Directorate</b>                    | <b>Average FTE</b> | <b>2009/2010 Average Number of Days</b> |           |           |           | <b>Total</b> |
|---------------------------------------|--------------------|---|-----------|-----------|-----------|--------------|
|                                       |                    | <b>Q1</b>                               | <b>Q2</b> | <b>Q3</b> | <b>Q4</b> |              |
| <b>Office of CE</b>                   | 20.04              | 2.86                                    | 0.76      | 0.83      | 0.76      | 5.21         |
| <b>Office of DCE</b>                  | 46.43              | 1.09                                    | 0.56      | 0.46      | 1.41      | 3.52         |
| <b>Corporate Support Services</b>     | 70.58              | 1.78                                    | 1.34      | 1.90      | 2.60      | 7.62         |
| <b>Environment &amp; Street Scene</b> | 109.71             | 4.78                                    | 4.18      | 2.42      | 1.77      | 13.15        |
| <b>Finance &amp; ICT</b>              | 111.9              | 1.74                                    | 1.57      | 1.34      | 2.35      | 7            |
| <b>Housing</b>                        | 173.46             | 1.66                                    | 2.36      | 2.17      | 2.50      | 8.69         |
| <b>Planning</b>                       | 63.32              | 1.9                                     | 2.59      | 2.34      | 1.99      | 8.82         |

#### Absence By Age

9. The graph attached at Appendix 2 shows total absence against the age profile of the Council. The age group 45 - 54 is responsible for just over 30% of the absence.

#### Reasons for Absence

10. The most number of days lost to absence in 2009/10 was through infections as opposed to musculo-skeletal problems in 2008/09. The highest average number of days lost per occasion was due to stress which was the same as last year. Gastro illnesses and infections have the most occasions; this was the same as in 2008/09. Table 3 below gives further details on lost time by reason.

| <b>Reason</b>   | <b>Number of Days</b> | <b>Number of Occasions</b> | <b>Average number of days per occasion</b> |
|---|-----------------------|----------------------------|--|
| Infections, including viral infections such as influenza, cold, cough and throat infections   | 805.14                | 319                        | 2.52                                       |
| Depression, anxiety, mental health and fatigue. Includes mental illnesses such as anxiety and nervous debility/disorder (does not include stress) | 624.99                | 27                         | 23.15                                      |
| Stomach, liver, kidney, digestion; include diarrhoea, vomiting and other gastro-intestinal illnesses.   | 606.76                | 232                        | 2.62                                       |
| Stress*   | 597.69                | 18                         | 33.21                                      |
| Other musculo-skeletal problems; includes neck, legs or feet and arms or hands. Also include joint problems such as arthritis.                    | 585.1                 | 64                         | 9.14                                       |
| Neurological; headaches and migraines   | 327.59                | 56                         | 5.85                                       |
| Genito-urinary; menstrual problems  | 312.46                | 38                         | 8.22                                       |
| Back problems   | 304.11                | 37                         | 8.22                                       |
| Road traffic accident   | 289.41                | 12                         | 24.12                                      |
| Heart, blood pressure, circulation  | 174.23                | 15                         | 11.62                                      |
| Cancer, including all types of cancer and related treatments  | 153.89                | 6                          | 25.65                                      |
| Chest, respiratory; including asthma, bronchitis, hay fever and chest infections  | 148.85                | 28                         | 5.32                                       |
| Eye, ear, nose and mouth, dental; sinusitis   | 115.28                | 50                         | 2.3  |
| Pregnancy related   | 28.64                 | 6                          | 4.77                                       |

(\*JCC proposed that this category is split to identify work related stress and non work stress)

### Long Term Absence

11. For this purpose long term absence has been defined as 4 weeks or over. There were a total of 40 employees who had 1 occasion or more of 4 weeks or more continuous

absence. Table 4 below shows the number of days taken by employees with 4 weeks and above absence. When the number of days relating to continuous period(s) of 4 weeks or more is removed from the figures there is a reduction of 39% in total days.

|   | <b>Number of Days</b> | <b>%</b>                            |
|---|-----------------------|-------------------------------------|
| Total number of days absent   | 5074.11               | 100%                                |
| Total number of days absence for employees with 4 weeks and above absence   | 3093.5                | Equates to 61% of total days absent |
| Total number of days absence for employees with a continuous period(s) of absence of 4 weeks or more  | 1985.4                | Equates to 39% of total days absent |
| Total number of days absence after the number of days lost to a continuous period(s) of 4 weeks or more is discounted from the total number of days | 3088.71               | 61% of total days absent            |

### Conclusion

12. Table 5 below shows there were 143 employees who met or were above over the trigger level, equating to 19.8% of staff. There were 317 employees who had absence, which did not meet the trigger level, which equates to 44% of staff. There were a total of 263 employees equating to 36% of staff who had no sickness during this period.

| <b>Number of staff</b> | <b>Staff as a percentage of total workforce</b> | <b>Total number of days absent</b> | <b>Absence as a percentage</b> | <b>Average number of days per employee</b> | <b>Number of occasions</b> | <b>Number of occasions as a percentage</b> |
|------------------------|---|------------------------------------|--------------------------------|--|----------------------------|--|
| <b>143</b>             | 19.8%   | 4046.73                            | 79.8%                          | 28.3                                       | 374                        | 41.4%                                      |
| <b>317</b>             | 43.8%   | 1027.38                            | 20.2%                          | 3.24                                       | 529                        | 58.6%                                      |
| <b>263</b>             | 36.4%   | 0                                  | 0                              | 0  | 0                          | 0  |

13. The KPI Improvement Plan sets out a number of actions to continue to improve sickness absence and are as follows:

- (a) obtain agreement to recruit to Management Information Officer role (completed);
- (b) recruit to Management Information Officer role (completed);
- (c) update Management Board on current cases where the triggers levels have been met (reports to be provided with Q2 and Q4 figures);
- (d) provide monthly reports to Directors/Assistant Directors (ongoing);
- (e) develop e-learning module to compliment Managing Absence training (to be finalised);
- (f) Review the parameters of sick pay entitlements. The Finance and Performance Management Scrutiny Panel recommended that this action is deleted from the Improvement Plan. The Panel concluded that the trade union negotiations and contractual issues would be lengthy and fairly complex process and it would be more practical to see if a review of the sickness entitlements is undertaken as part of national negotiations; and

(g) submit report to Finance and Management Performance Scrutiny Panel and Cabinet on 2009/2010 absence figures (completed).

14. The Cabinet may wish to amend these actions and/or make other suggestions.

**Resource Implications:**

The appointment of a part-time management information officer will be met from existing resources. The productivity savings from the 2.5 days improvement equates to £134,822.50. This figure is based on salary only and does not include any expenditure on overtime or agency workers.

**Legal and Governance Implications:**

N/A.

**Safer, Cleaner and Greener Implications:**

N/A.

**Consultation Undertaken:**

This report was presented to the Joint Consultative Committee on 15 July 2010.

**Background Papers:**

Finance and Performance Management Scrutiny Panel report 9 September 2010.

**Impact Assessments:**

Risk Management

Failure to manage sickness absence results in loss productivity and if it is significantly high could adversely affect the reputation of the authority.

Equality and Diversity:

*Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?* No

*Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?* N/A

*What equality implications were identified through the Equality Impact Assessment process?*  
N/A

*How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?*

N/A