REPORT TO:	**FINANCE & MANAGEMENT COMMITTEE**	**AGENDA ITEM: 11**
DATE OF MEETING:	**14th JUNE 2018**	**CATEGORY: DELEGATED**
REPORT FROM:	**CHIEF EXECUTIVE**	**OPEN**
MEMBERS' CONTACT POINT:	**DAVID CLAMP, HEAD OF ORGANISATIONAL DEVELOPMENT (EXT 5729) david.clamp@south-derbys.gov.uk**	**DOC:**
SUBJECT:	**SICKNESS ABSENCE 2017/2018**	**REF:**
WARD(S) AFFECTED:	**NONE**	**TERMS OF REFERENCE: FM 05**

1.0   Recommendations

1.1   To approve the planned actions detailed in section 4 of this report to improve attendance levels across the Council.

1.2   That an update on absence levels is reported on a quarterly basis to this Committee to ensure performance is monitored and actions taken to work towards an average target of 8 days lost per employee.

2.0   Purpose of the report

2.1   To provide information on the working days lost due to sickness absence from 1st April 2017 – 31st March 2018.

2.2   To identify any trends in absence patterns or reasons and actions to be taken to improve levels of attendance across the workforce.

3.0   Detail

3.1   The number of working days lost to sickness absence for the year 2017/18 was 3,408 days or on average, 11.63 days per person. This is an increase from 2,613 days (or 30%) and 9.91 days (or 17%) from the previous year. It should be noted that the number of employees in the workforce increased by 53 from February 1st, 2017 due to the transfer back of staff from Northgate Public Services. This is a contributing factor to the higher number of working days lost across the workforce.

Trends

3.2   The outturn figure for 2017/18 of 11.63 days per person is the highest since 2013/2014 where the number was 12.28 days per person. During the years in

between the absence rates fluctuated between just under 10 days to a low figure of just under 8 days in the year ending March 31, 2016.

3.3   The outturn figures for the past 5 years are shown below;

Year ending March 31	2018	2017	2016	2015	2014
Number of working days lost	3,408	2,613	2,002	2,535	3,075
Number of days per person (average)	11.63	9.91	7.95	9.99	12.28

Types of Absence

3.4   A categorised list of reasons are available to be used when recording absence due to ill health. The table below shows the top four reasons for absence over the past year excluding the category, 'Other*'. Appendix A shows a breakdown of all absences.

Top 4 reasons of absence during 207/18;

Reason for absence	Number of working days lost
Anxiety/Depression/Stress and work related stress**	906 (27%)
Surgery Hospital Procedure	545 (16%)
Back pain	294 (8%)
Chemotherapy/Radiotherapy	268 (8%)

* 'Other' – is used when there is no category available for the type of illness being reported and/or the employee requests that the reason is not listed due to personal and/or sensitive reasons. Managers are advised not to use 'Other' wherever possible.

**These are four separate categories and grouped together to show absences related to mental health issues.

Long term/Short term absences

3.5   The Council identifies a long term absence as an employee being unable to attend work for 15 consecutive working days. During 2017/18, the split of absences due to long term against short term is;

Term of absence	Number of working days lost – 17/18	Number of working days lost – 16/17
Long term	2,226 (65%)	1,548 (59%)
Short term	1,182 (35%)	1,065 (41%)

3.6 In 2017/18, long term absence contributed nearly 2/3rds towards the annual number of working days lost; up 6% when compared to the previous year. The absence levels can be adversely affected by employees on long term absence. The number of employees on long term absence and the average number of working days lost is shown in the table below;

Long term absence	Number of employees	Average period of absence per employee
2017/18	37	60 working days
2016/17	29	53 working days

3.7 There has been an increase of over 27% in the number of employees off work due to a long term absence. These are primarily linked to serious medical conditions or planned surgeries that have a long period of rehabilitation. All cases are managed in line with the Attendance Management Procedure and actions taken that include a referral to Occupational Health to gain a medical opinion on the condition and ability to return to work. On occasions, due to employees having a terminal illness, the Council has taken action to continue offering support at these most difficult of times through consideration of welfare facilities for the employee and family as well as payments made under the Occupational Sick Pay Scheme.

Short term absence

3.8 These relate to any period of absence up to 15 consecutive working days. Typically there relate to more minor health conditions such as colds, headaches and sickness being the reason for the employee being unable to attend work. The total number of short terms absences during the year is shown below;

Short term absence	Number of employees	Average period of absence
2017/18	359	3.3 working days
2016/17	309	3.4 working days

3.9 With the higher incidents of long term absence, a reduction in the average number of days lost to short term absence has shown a minor decrease. However, the number of employees taking short term absence has increased by 16% when compared to last year (309 to 359). As noted, this will be

influenced by the increased number of staff now employed by the Council following the transfer of 53 staff from Northgate.

3.10   The Council uses trigger points to manage employees who have repeated periods of short term absence during the year. The triggers currently used are;

- 8 or more working days absence in a rolling 12-month period OR
- 4 or more separate occasions of absence in a 12-month rolling period OR
- An unacceptable pattern of absence. Examples of this are: Friday or Monday absences: absences regularly occurring on a particular day/week: absences occurring before or after annual leave or school holidays or public holidays.
- A manager may use discretion to review trigger points if an absence relates to a recognised disability (as defined by the Equality Act 2010) after obtaining advice from Human Resources and Occupational Health.

3.11   When a trigger point is activated, an employee is invited to a meeting to discuss the causes of their absences and any support/actions needed to improve attendance are determined. If this does not realise a sustained improvement in attendance then a second review meeting is held where the manager can determine to recommend that the employment is terminated on the grounds of capability due to ill health.

National/Regional levels of absence

3.12   Whilst appropriate consideration has to be given to the reliability of national surveys and the basis for calculating sickness absence, it is a useful indicator on any trends in the economy.

3.13   The Chartered Institute of Personnel and Development (CIPD) undertake a national survey each year and have recently published the following outcomes (March 2018);

6.6 days – average level of employee absence
8.5 days – average level of employee absence (public sector only)
55% of organisation citing mental health absence being on the increase

3.14   The Local Government Association (LGA) published their last workforce survey in March 2017 so their information is now dated but at this time it showed the following in relation to sickness absence (155 respondents);

8.8 days – average level of employee absence
9.4 days – average level of employee absence (Single/upper tier)
8.2 days – average level of employee absence (Shire districts)
20% of days lost across the sector attributable to mental health conditions

3.15 East Midlands Councils complete an annual survey on sickness absence across authorities in the East Midlands. In the year ending March 2017 it showed;

9.94 days – average level of employee absence (Shire districts)
9.90 days – average level of employee absence (All authority types)

4.0 **Planned actions**

4.1 An internal working group of employer and employee representatives, led by the Strategic Director (Service Delivery), has already met to consider a range of measures to address the current levels of absence. The focus for the group has been stated as 'Improving Attendance' rather than managing absence to ensure that a rounded view of actions is taken. The current actions to be addressed include;

➢ Ensuring that all managers have attended appropriate training in attendance management
➢ Identifying other training that managers require to more effectively manage absence in their teams
➢ Continuing training for staff in stress awareness and management of stress
➢ Working with Occupational Health and other partners on raising awareness around mental health and support that can be provided that includes access to counselling services provided by the Council
➢ Reviewing employment practices to promote more flexibility in how, when and where employees work
➢ Promoting wellbeing activities and opportunities made available to employees
➢ Reviewing all long term absence cases to ensure that appropriate action(s) are being taken
➢ Continuing monthly absence reports for the Strategic Directors
➢ Reviewing the Attendance Management Procedure and in particular the trigger points in place
➢ Working in partnership with Trade Union Representatives on other joint initiatives to improve attendance at work

4.2 The current Attendance Management Procedure has been subject to numerous revisions over the past few years and is considered to be robust and in line with practices adopted both in the public and private sector. Adherence to the procedure is generally good with return to work interviews being held with employees and other meetings held in line with the requirements of the procedure.

4.3 Turning the focus on keeping employees at work through the review of employment practices and wellbeing initiatives is now seen by organisations as the more effective way to engage with employees, aid motivation and improve attendance at work.

4.4   As approved by Council in November 2017, the Council has signed up for the TUCs Dying for Work Campaign. The campaign requires organisations to support workers who are diagnosed with terminal illnesses and is part of a wider TUC campaign which is seeking to change the law to secure terminally ill workers a 'protected period' where they cannot be dismissed as a result of their condition. Over the past year the Council has supported 3 employees with a terminal illness.

5.0   Financial Implications

5.1   The cost of absence manifests itself in a potential loss of productivity. Whilst employees are still paid during a period of absence (although this can reduce in periods of longer absence) an additional cost can be incurred in order to cover the duties of absent colleagues.

5.2   Although periods of short-term absence are usually covered at no additional cost, in some service areas, for example Waste Collection, the Council has to employ external agency staff to ensure that the crews are sufficiently resourced. This is budgeted within the cost of the Service.

6.0   Corporate and Equality Implications

6.1   Having effective arrangements to manage the health and wellbeing of the workforce promotes better working methods and early, preventative action to improve levels of performance and attendance at work.

6.2   A key consideration when managing any attendance issues is to ensure fair and equitable treatment and in cases where the provisions of the Equality Act 2010 relating to a disability apply; that positive and reasonable measures are taken. Within the Attendance Management Procedure, considerations in this regard are already noted which includes taking appropriate action in such cases and the use of trigger points to commence further actions.

7.0   Community Implications

7.1   The Council has a responsibility to deliver a range of services for the Community. Ensuring that adequate resources are in place to maintain such services at the required standards demands service areas to utilise their resources in the most effective manner. Having appropriate employment practices and procedures in place, coupled with timely and appropriate management action when staff are absence from work due to ill health, will ensure that services are delivered and the workforce is suitably engaged and employed.

8.0   Background Papers

8.1   Monthly absence reports

Sickness Reason	Days	%
Chemo/Radiotherapy	268	7.86%
Anxiety	170	4.99%
Muscular/Skeletal	80	2.35%
Cold/Flu	139	4.08%
Chest/Respiratory	145	4.25%
Virus	53	1.56%
Sickness / Diarrhoea	92	2.70%
Broken Limbs	125	3.67%
Depression	362	10.62%
Migraine	16	0.47%
Stress	287	8.42%
Back Pain	294	8.63%
Surgery/Hospital Procedure	545	15.99%
Headache	6	0.18%
Heart/Blood/Circulation	7	0.21%
Other	607	17.81%
Gynaecological	13	0.38%
Ear/Nose/Throat	47	1.38%
Digestive	28	0.82%
Dental	6	0.18%
Food Poisoning	2	0.06%
Pregnancy related	5	0.15%
Work related stress	87	2.55%
Infection	12	0.35%
Head Injury	2	0.06%
Optical	10	0.29%
Grand Total	**3408**	**100.00%**

Days Lost to Absence (By Reason) - 2017/2018

7