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**Meeting: OVERVIEW AND SCRUTINY**

**Agenda Item:**

Portfolio Area: Resources

**Date: 14 November 2018**

## **SICKNESS ABSENCE**

### **NON-KEY DECISION**

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#### **1 PURPOSE**

- 1.1 The purpose of this report is to provide information on sickness absence for the period 1 October 2017 to 30 September 2018.
- 1.2 This is not a key decision because it is for information only.

#### **2. BACKGROUND**

- 2.1 Over the last twelve to eighteen months we have seen an increasing trend in sickness absence. In January 2017 sickness absence was at 8.27 days (against an 8.5 day target). At the end of May 2018 sickness absence was at 9.71 days. However, since then there has been a consistent downward trend for four consecutive months, with the end of September 2018 sickness absence position being 8.91 days (per person, per year).
- 2.2 Key challenges for Stevenage Borough Council over last twelve to eighteen months have included significant organisational change and it is important to recognise the impact this has on employee health, wellbeing and engagement
  - Future Council Business Reviews – Following analysis of the sickness absence data we have identified that absence directly attributed to change has accounted for absence of on average 1.5 days sickness absence per month.
  - Implementation of new HR System (April 2017) – The impact of the new HR and Payroll Systems has been two fold. Firstly for the period April – December 2017, there was no sickness absence management reporting information due to building and implementing the new system. However, with once the new system was implemented there has improved accuracy in the data, as the HR System now holds employee working patterns and the sickness data is therefore now able to accurately record working hours lost. This has accounted for an increase of approx. 0.5 days sickness absence.

### 3.0 SICKNESS ABSENCE INFORMATION

#### 3.1 Overall Sickness Absence Position at Stevenage Borough Council as at 30 September 2018.

3.1.1 Early indicators of an increase in sickness absence, prompted SLT and HR team to review how absence is managed overall. Following a review of sickness absence in February 2018, SLT agreed to set individual Business Units sickness absence targets, reflecting the differing challenges that the variety of our services face, but ensuring the targets were still stretching (see targets and performance against targets in the table below)

Service	Sickness days taken Oct 17 to Sep 18				Days lost per FTE			Targets	
	Sep 18 FTE	Short term FTE days lost	Long term FTE days lost	Total FTE days lost	Short Term Days lost per FTE	Long Term Days lost per FTE	Total Days lost per FTE	Individual BU Targets	Over or under target
Communities and Neighbourhood	45.78	239.72	311.18	550.90	5.24	6.80	12.03	5.00	over
Corporate Projects, Customer Services and Technology	68.70	289.49	258.89	548.38	4.21	3.77	7.98	5.00	over
Corporate Services and Transformation	49.35	72.49	64.51	137.00	1.47	1.31	2.78	5.00	under
Finance and Estates	32.48	129.28	93.00	222.28	3.98	2.86	6.84	5.00	over
Housing and Investment	131.72	624.69	446.00	1070.69	4.74	3.39	8.13	9.00	under
Housing Development	4.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	under
Planning and Regulatory	39.30	173.91	70.69	244.60	4.43	1.80	6.22	5.00	over
Regeneration	7.00	9.00	0.00	9.00	1.29	0.00	1.29	1.00	over
Stevenage Direct Services	176.80	988.88	1201.95	2190.83	5.59	6.80	12.39	11.00	over
Strategic Management Board	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	under
<b>Grand Total</b>	<b>558.13</b>	<b>2527.46</b>	<b>2446.22</b>	<b>4973.68</b>	<b>4.53</b>	<b>4.38</b>	<b>8.91</b>	<b>8.00</b>	<b>over</b>

## 3.2 Comparison with national and local sickness absence trends

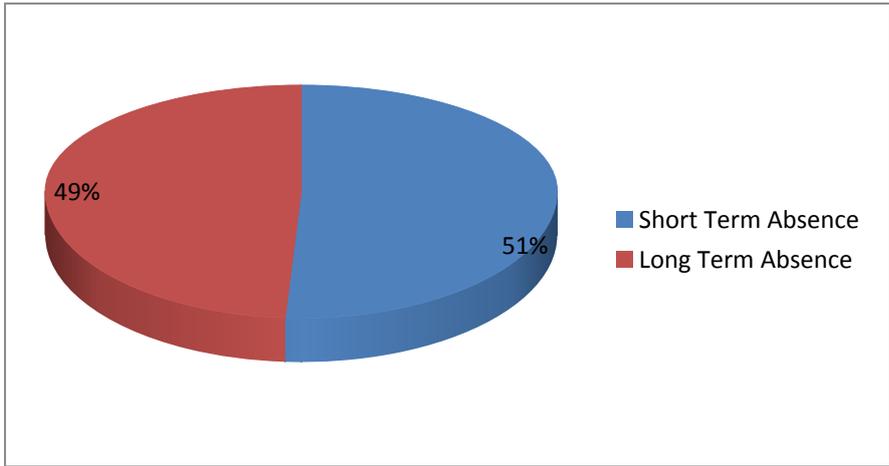
- 3.2.1 In comparison to national figures, which have seen a downward trend to 6.3 days, public sector has seen fluctuation over recent years and last years' average was 8.5 days (CIPD Absence Survey 2017).
- 3.2.2 There is significant research by the Health and Safety Executive (and others) to inform us that some of our operational services, particularly Waste services will have a higher than average level of sickness absence, which research from 2009 indicating average levels of absence in Waste and Refuse are at 12.8 days.
- 3.3.3 Stevenage Borough Council reports absence in days. However, for benchmarking purposes the Stevenage Borough Council figure (30 September 2018) of 8.91 days absences translates to 3.55% for point of comparison with the table below.

Years	Sickness absence rates as percentage of working hours lost			Private sector
	Public sector organisations			
	Central Gov.	Local Gov.	Health	
2010	2.6	3	4	1.9
2011	2.6	2.8	3.9	1.8
2012	2.3	2.7	3.8	1.9
2013	2.9	2.7	3.5	1.8
2014	1.9	2.7	3.8	1.7
2015	2.7	2.8	3.7	1.8
2016	2.4	2.7	3.5	1.7
2017	2.1	2.6	3.3	1.7

Source: Labour Force Survey person datasets3

## 3.4 Long Term and Short Term Absence

- 3.4.1 From analysing historical sickness absence data it has been identified that there has generally been an balance between the split of short and long term sickness absence. The Council have differing policies approaches to managing short and long term sickness absence.
- 3.4.2 The Council provide support to those on sickness absence and those with disabilities and some of the support available to staff in detailed in section 4 below.



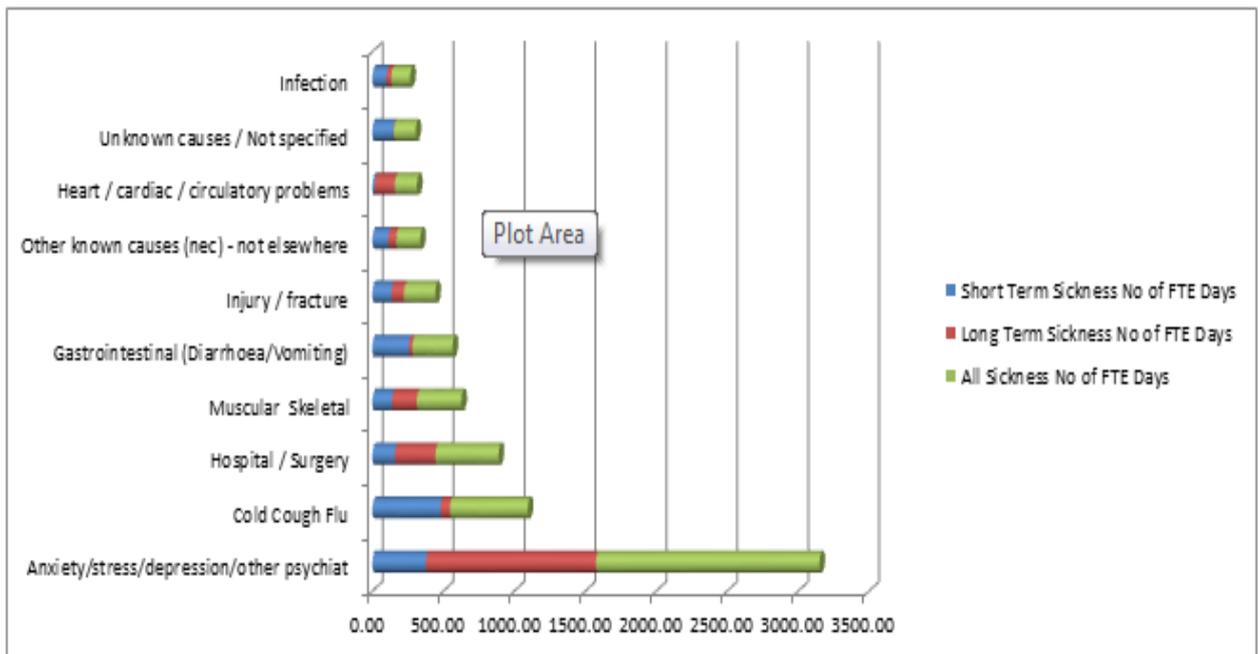
**3.5 Cost of Sickness Absence**

3.5.1 The cost of sickness absence for the period 1 October 2017 to 30 September 2018 is £476,502.65. This figure is basic pay only. It excludes on costs and costs to backfill posts (agency costs etc). In addition, this doesn't reflect any loss of productivity or increased complaints for such things as missed bins etc. from job being carried out by less experienced staff or agency staff.

3.5.2 If you translate the cost of sickness absence into posts, based upon our average salary, this would equate to an additional 15 FTE.

**3.6 Reasons for Sickness Absence**

2.5.1 Please see table below detailing the top ten reasons for sickness absence. Stevenage Borough Council top reasons align with national trends, with stress/anxiety depression/cold flu and mental health featuring in the top three reasons for absence.



## **4.0 SUPPORT AVAILABLE TO EMPLOYEES**

4.1 The Council recognises the importance of early intervention and support to staff can help to avoid the absence or reduce the length of the absence. In addition to pro-active solutions, it is important that reactive resolutions and measures are in place and are successful in identifying and supporting individuals with ill health. The Council:

- Provide a free and confidential Employee Assistance Programme and occupational health to support staff.
- Provides phased returns to support employees returning after long term sickness absence
- Provides reasonable adjustments to employees with disabilities
- Has trained mental health first aiders to support and signpost employees
- Stress and resilience workshops are being made available to staff
- Flu jabs have been provided
- Lunchtime wellbeing walk initiative
- Crafty lunches initiative
- Stress Policy
- Flexi-Time
- Flexible Working Policy
- Volunteering Policy
- Charity Events and Dress Down Days
- New appraisal process, REAL Conversations, which includes information on discussing employee health and wellbeing
- Staff Wellbeing Events – Rounders/Summer Picnic etc.

## **5. MANAGEMENT SUPPORT**

5.1 The HR team provide absence monitoring data, support and advice to line managers to help them improve attendance levels and, to identify appropriate support for employees. A new monthly sickness report is being provided to Assistant Directors which sets out a month by month highlight report for each service including number of days lost, key reasons for absence and costs and recorded manager action taken.

5.2 SLT and Managers are required to take appropriate action under the Sickness Absence policy to ensure that attendance rates improve.

5.3 2018 was the first time that SLT set individual Business Unit sickness absence targets, which ensured the targets were stretching, but realistic. This also supported the whole organisation to achieve the overall target, recognising that some operational services are likely to have higher levels of sickness absence.

5.4 The Council are also in the progress of preparing to implement a third party sickness absence provider (First Care) who will provide a nurse led sickness reporting facility for all employees, which will provide advice and challenge on

fitness for work to both individuals and managers and ensure consistency of approach/advice on sickness absence. They will also follow up to ensure appropriate application of policy and return to work and provide regular and timely management information. First Care advise that they are likely to reduce sickness absence by somewhere between 15-25% over a 5 year period, with a predicted 2% reduction in year one.

## **6. IMPLICATIONS**

### **6.1 Financial Implications**

Under the Green Book the maximum amount of contractual sick pay after five years local government service is six months at full pay, six months half pay. There are also the financial costs involved in temporary cover of long-term sickness cases to maintain service delivery.

### **6.2 Legal Implications**

Sickness records are a protected category under the Data Protection Act provisions in relation to employee records.

### **6.3 Equalities and Diversity Implications**

The Council has an obligation to make reasonable adjustments to allow a disabled employee to continue working or to join the organisation.

### **6.4 Risk Implications**

None identified

### **6.5 Other Corporate implications**

The Council aims to support staff that experience ill health and to assist them to maintain a good attendance at work.

Sickness absence has an impact on the delivery of services to customers and means that duties need to be covered or reallocated to ensure continuity of service delivery. Long periods of absence as well as unplanned short-term periods of absence can cause disruptions and put additional pressure on remaining team members.