

NORTH LINCOLNSHIRE COUNCIL

AUDIT COMMITTEE

SICKNESS ABSENCE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To inform the Audit Committee of sickness absence levels and 2015/16 year-end position

2. BACKGROUND INFORMATION

- 2.1 In June 2015, the audit committee received a report on sickness absence during 2014/15 and agreed that there was continuing assurance that the risk to capacity due to sickness absence was being managed through adequate controls.
- 2.2 The committee requested a further report on sickness absence be submitted detailing the 2015/16 year-end position.

Analysis of 2015/2016 sickness absence

- 2.3 The average number of working days lost due to sickness absence in 2015/16 was 8.56 days against a target of 8.25 days. This indicates an eight percent reduction in sickness absence levels compared to 2014/15 and is the lowest recorded figure in the previous nine years.

Table 1: Average number of days lost per full time equivalent (fte) employee					
Length	2011/12	2012/13	2013/14	2014/15	2015/16
Up to 7 days	2.05	2.17	1.97	2.08	2.00
8-20 days	1.26	1.23	1.29	1.26	1.02
20-60 days	2.02	2.23	2.15	2.32	2.16
60+ days	3.17	4.38	4.04	3.81	3.38
Total	8.50	10.01	9.46	9.47	8.56

2.4 Table 2 shows the number of full time equivalent days lost due to short term (up to 20 days) and long term (over 20 days) for 2014/15 and 2015/16. During 2015/16, there has been an eight per cent decrease in the number of days lost across both short and long term absence.

Table 2: Number of fte days lost due to sickness absence			
Category	2014/15	2015/16	Trend
Short term (<= 20 days)	13,677	12,560	↓ 8.2%
Long term (> 20 days)	25,075	22,994	↓ 8.3%
Total	38,752	35,554	↓ 8.2%

2.5 The number of periods of absence has fallen compared to last year as shown in the table below:

Table 3: Periods of sickness absence			
Category	2014/15	2015/16	Trend
Short term (<= 20 days)	6,045	5,894	↓ 2.5%
Long term (> 20 days)	694	668	↓ 3.8%
Total	6,739	6,562	↓ 2.6%

2.6 Periods of absence have reduced by 177 overall, which equates to a reduction of approximately three per cent compared to the previous year. On average, a period of absence lasted for 5.42 days in 2015/16 which shows a decrease compared to 5.75 days in 2014/15. A breakdown by short and long term absence is provided below:

- average duration of a period of short term absence decreased slightly compared to last year from 2.3 days (2014/15) to 2.1 days (2015/16).
- average duration of a period of long term absence has reduced by just under two days from 36.1 days (2014/15) to 34.4 days (2015/16)

2.7 Table 4 below sets out the most common reasons for sickness absence during 2015/16. The predominance of stress and depression and musculo-skeletal problems amongst the most common reasons for absence mirrors national trends and remain priority areas for targeted action within the council. The 2015 absence survey states *'the public sector is more likely than the private to rank stress, mental ill health and musculoskeletal injuries among their top five*

causes of short and long term absence¹. From the data available, it is not possible to identify the proportion of absence that is work-related as opposed to non-work related.

Table 4: Reasons for sickness absence								
Short term absence			Long term absence			All absence		
1	Infections	29.1%	1	Stress & depression, mental health	33.7%	1	Stress & depression, mental health	24.8%
2	Stomach & digestion	14.6%	2	Musculo skeletal	22.6%	2	Musculo skeletal	19.1%
3	Musculo skeletal	12.7%	3	Back problems	7.4%	3	Infections	13.1%

Actions being taken to support attendance and reduce sickness absence

2.9 In September 2015, a report on 'Proposed actions to support a reduction in sickness absence levels' was approved by the Cabinet Team. An update on progress on these actions is provided below:

- **Sickness Absence policy:** The revised Attendance Management policy was implemented on 1 April 2016. Key changes includes a stronger emphasis on the responsibility/accountability of both managers and employees, removes management discretion regarding referral to occupational health once 20 days is reached and includes mechanisms for earlier referrals where appropriate. This is being supported by a rolling programme of attendance management training for managers.
- **Performance management framework:** A new performance management framework has been developed and is currently being piloted in various teams across all directorates. The framework is designed to facilitate regular performance conversations between employee and manager to increase motivation and self-esteem, which research has indicated is a key driver for wellbeing and attendance.
- **Promotion of health and well-being:** There is an ongoing programme of training, awareness and initiatives to promote mental health and wellbeing, as part of the Time to Change pledge. More recently this has included mindfulness (70 employees) and personal resilience training (130 employees) aimed at supporting and equipping employees with the skills to maintain wellbeing and productivity. This follows on from the mental health first aid

¹ Absence Management Survey Report 2015, CIPD, October 2015, p4

training that was delivered to approximately 550 employees in 2014/15. Work is continuing towards achievement of the Healthy Workplace Gold Award which involves planning and promotion of initiatives around health and well-being.

- **Review of redeployment policy:** A revised redeployment policy was implemented on 1 April 2016. Key revisions include a minimum 12-week trial period and the requirement for an informal interview and references to assess an employee's suitability. These changes are geared towards ensuring a proper fit for both the employee and organisation through a more effective process that increases the likelihood of sustained attendance thus reducing sickness absence.
- **Absence management service:** The implementation of an absence management service has been explored further with the occupational health provider. Further development in this area is currently on hold following the reduction in sickness absence achieved without the financial outlay and resources that the introduction of this service would require.

In addition to these actions, there are continuing measures in place to support the reduction of sickness absence including:

- **Occupational health provision:** The council continues to work closely with PAM, our external occupational health (OH) provider, to reduce sickness absence including regular referral clinics, case conferences to support the resolution of complex, long term cases and absence reviews with management teams – all of which are focused on facilitating proactive OH advice.
- **Monitoring and reporting:** Ongoing monitoring and reporting of sickness absence levels and projections via the workforce reporting schedule continues to provide key information to assist managers in targeting areas of high sickness absence. Managers also receive monthly 'trigger reports' highlighting those employees who are approaching or have exceeded trigger points. HR business partners continue to provide support to services to identify 'hotspots' and take action to address high levels of sickness absence.

3. OPTIONS FOR CONSIDERATION

- 3.1 The Audit Committee is asked to consider the council's year-end position and determine whether they have sufficient assurance that adequate controls are in place to manage the risk to capacity from levels of sickness absence.

4. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

4.1 Sickness absence is costly to the council in terms of lost productivity and the need to provide backfill cover for some frontline positions.

5. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

5.1 An Integrated Impact Assessment is not required.

6. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

6.1 Sickness absence is reported to all parties on an ongoing basis.

6.2 There are no conflicts of interests to declare.

7. RECOMMENDATIONS

7.1 That the Audit Committee determines whether there is a continuing assurance that the risk to capacity due to sickness absence is being managed through adequate controls.

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Background Papers used in the preparation of this report:

Cabinet Report 'Proposed actions to support a reduction in sickness absence levels',
29 September 2015