

NORTH LINCOLNSHIRE COUNCIL

CABINET

**PROPOSED ACTIONS TO SUPPORT A REDUCTION IN SICKNESS ABSENCE
LEVELS**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To outline proposed actions that will support a reduction in the current levels of sickness absence.

2. BACKGROUND INFORMATION

- 2.1 In 2014/15 the council's sickness absence level was 9.47 workings days per FTE and this has remained relatively static for the past 3 years. The national average for sickness absence in the public sector currently stands at 7.9 working days per FTE. An initial reduction in sickness absence levels to 8 working days per FTE would generate an indicative saving of £587,143 which in monetary terms would equate to approximately £120,000 and the following outlines possible actions that could be taken to support this.

3. OPTIONS FOR CONSIDERATION AND ANALYSIS OF OPTIONS

Performance Management Framework

- 3.1 Performance management is a continuous process of identifying, measuring and developing performance in an organisation by linking each individual's performance and objectives to the organisations overall priorities. From an employee perspective, a good system increases motivation and self-esteem, helps improve performance, clarifies job tasks and duties, provides self-insight and development opportunities, clarifies management expectations and helps employees make better decisions regarding job suitability. From a manager's perspective, it allows managers to gain insight about employees, allows for more fair and appropriate HR interventions, helps communicate organisational priorities more clearly, differentiates between good and poor performance and helps drive organisational change. Research shows that motivation and self-esteem is a key driver for wellbeing and attendance.
- 3.2 Currently performance is managed using the council's employee appraisal system. Employee appraisals emphasise the assessment of an employee's strengths and weaknesses but do not include strategic business considerations or ongoing feedback that an employee can use to improve their performance over the year. Appraisals are a once a year event often

driven by KPI's and HR, whereas performance management is a year round way of managing 'the business', driven by managers

- 3.3 A good performance management system has to be well designed, simple to follow and easily understood by all employees. This proposal is therefore one that cannot be implemented immediately and may take some time to develop.

Absence Management Service

- 3.4 Our current occupational health provider offers an absence management service called 'Day One' where employees ring in directly to an occupational health nurse to report their absence as opposed to their line manager. The aims of the service are to provide same-day advice to the council and their employees to enable management of short-term absence. Offer the employee a triage/medical helpline, providing support and advice on their health condition and minimise absence through proactive interventions. They also provide absence and return-to-work notification reports to the employer/manager and act as a deterrent to stop employees from reporting non-genuine reasons for absence.
- 3.5 There is an initial 4 week lead in time from an occupational health perspective but this would be dependent upon initial work at our end to import all staff details onto the OHIO system and an intense targeted communication campaign to all staff regarding the changes. However, there would be an additional cost for this service of approximately £68,000.

Sickness absence policy

- 3.6 Rename the sickness absence policy 'Attendance Management' as a positive approach to increasing attendance rather than the negative approach of reducing sickness
- 3.7 Emphasise the role of managers in respect of their responsibility/accountability to manage the attendance of their staff. This would be supported by soft skills training in how to manage the attendance process and promote preventative measures.
- 3.8 Introduce a new element around employees 'being in charge of their own destiny' and their responsibility/accountability for their own wellbeing, lifestyle choices and ownership of their absence management.
- 3.9 Remove any management discretion around employees being referred to OH once 20 days absence has been reached and include mechanisms for earlier referrals prior to this trigger where appropriate. There will be no exemptions to this unless approval has been obtained from the relevant Director and Assistant Director - Human Resources.
- 3.10 Welfare counselling to be promoted at every opportunity - welfare support is proven to help employees stay in work who would otherwise be absent

without early intervention/referral. All employee to be contacted and offered welfare support within 3 days of a stress related absence.

Promotion of health and wellbeing

- 3.11 In recognition that maintaining healthy workplaces are vital for absence and illness prevention, the council has committed to achieving the Bronze and Silver Health Workplace Award and is now actively working towards the Gold Award.
- 3.12 A healthy workforce has lower sickness absence and by actively promoting and improving health and wellbeing, the council could achieve cost savings. Studies show that healthier employees are, in general, more resilient and better able to cope with change and uncertainty common to organisations in the current climate.
- 3.13 The work being undertaken as part of the Gold Award covers a range of areas including mental wellbeing, musculo-skeletal, physical activity, healthy eating and smoking cessation and gives the council an opportunity to actively promote and improve health and wellbeing amongst its employees.
- 3.14 To embark immediately on a healthy workplace campaign, endorsement by the political leadership of the council would further support successful outcomes and impact positively on attendance.

Redeployment Policy

- 3.15 The objective of the process is to find suitable alternative employment for employees who are issued formal notice of the termination of their employment on grounds appropriate to their circumstances (other than disciplinary dismissal). This would be a post that makes use of an employee's particular skills and abilities and is as close as possible to their existing salary.
- 3.16 However, at times employees are not well matched to alternative posts placing additional pressure on both the employee and the service. A review should therefore be undertaken of the current redeployment policy, in particular the 'suitability' criteria and use of trial periods.

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

- 4.1 The costs associated with these proposals are £68,000 as outlined in paragraph 3.5. These costs can be met from a reduction in sickness absence levels.

5. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

- 5.1 These proposals will require a full equality impact assessment to be undertaken.

6. OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED

- 6.1 No formal consultation has yet been undertaken with either Trade Unions or staff on these proposals

7. RECOMMENDATIONS

- 7.1 That approval is given for work to commence on the implementation of these proposals.
- 7.2 That formal consultation on the outlined proposals commences with staff and the recognised trade unions.

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Background Papers used in the preparation of this report - Nil