

Committee: **Corporate Overview Scrutiny Committee**  
Date of meeting: **19<sup>th</sup> November 2019**  
Report Subject: **Sickness Absence Performance**  
Portfolio Holder: **Councillor Daniels, Leader / Executive Member**  
Report Submitted by: **Andrea J Prosser, Head of Organisational Development**

Reporting Pathway								
DMT	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	01.10.19	06.11.19			19.11.19	Info Item		

## 1. Purpose of the Report

- 1.1 The purpose of this report is to provide Elected Members the opportunity to scrutinise and challenge sickness absence performance 2018/19 and the proposed actions for improvement.

## 2. Scope and Background

- 2.1 Staff attendance is critical in delivering services and the Council's priorities and is a key performance indicator reflected in the quarterly Finance and Performance report. Improving attendance remains a key priority for the Council and is linked to the need to create efficiencies and improve service delivery.

- 2.2 Sickness absence within the Authority is identified as a key risk and it is acknowledged that high levels of sickness absence will have a detrimental impact on the ability of the Council to deliver services effectively. Therefore, the need to reduce the impact and cost of sickness absence has been identified as a corporate priority.

### 2.3 Performance Information 2018/2019

- 2.3.1 There have been various initiatives including a fundamental review of policy (Elected Members Task and Finish Group 2018), however, sickness absence rates remain high and above target.

- 2.3.2 The overall year end outturn figure for the Council of 12.66 days per full time equivalent (FTE) employee in 2018/19 sees an increase from the previous year's outturn of 11.2 days and exceeds the target set of 8.5 days.

- 2.3.3 The total days lost represents a loss in productivity equating to 135 extra employees being available to work for the full year. The calculation applied is based on 220 working days per year per FTE employee.

- 2.3.4 Whilst sickness levels remain high it is important to note that the majority of employees have little or no sickness absence and attend work regularly. The vast majority of Council employees have excellent attendance levels as data indicates that 2463 employees attended work every day during the period from April 2018 to March 2019 with the Council having an attendance level of 94.3%.
- 2.3.5 Prior to 2011/12 the Council's performance of 8.9 days was in the upper quartile performance across Wales. Over the last six years the Council has had sustained absence levels that average 11.8 days with the average days lost per month across the Authority totalling 2479. The table and graph at Appendix 1 set out the trend over the current and previous years.
- 2.3.6 The absence pattern is further illustrated at Appendix 2 (Table 1 and 2) which details the rank order of days lost and the highest three months of absence and the lowest month of absence within the reporting period.
- 2.3.7 It is recognised that typically when comparing different organisations that absence is normally more heavily weighted towards short term with a 70/30 split between short and long term. 62.71% of all absences in the Council are more than 4 weeks and are classed as long term. The Council is almost meeting its total FTE days lost target in long term absence alone. Table 3 at Appendix 2 details the breakdown of short and long term absence by directorate.
- 2.3.8 In managing long term absence the Health and Safety Executive (HSE) report *that 'if you have been off work for six months you have an 80 per cent chance of being off for five years'*. In reviewing all absences opened prior to, or at any point during the year 2018/19 there were 60 employees who had absences that have lasted more than six calendar months in duration. These 60 employees have contributed a total of 8,815 calendar days to the Council's absence performance for the year 2018/2019. Effective management to facilitate a return to work sooner or to expedite a termination where a fair process has been followed and a return to work is not foreseeable – would significantly impact in reducing sickness absence. The breakdown by Directorate of the 60 employees with greater than 6 months absence is set out at Table 4 at Appendix 2.
- 2.3.9 There is no policy right to exhaust the full entitlement to Occupational Sick Pay (OSP) before an ill health termination is considered as a possible option. However the evidence available quantifies that such long term absence dismissals are taking place after entitlement to OSP has firstly been exhausted. 37 of the employees who had an absence of more than six calendar months in duration are now no longer employed by the Council. The typical profile of such a leaver is an employee who had absence duration at the point of termination of 295 days. On reviewing the nature of the specific absences of these 37 leavers the main reasons are 41% Mental Health, 14% Musculoskeletal and 11% Cancer.
- 2.3.10 For those employees who have had an absence of more than 6 calendar months, who remain employed and absent from work, the typical absence duration is 326 days.

- 2.3.11 In line with the Attendance Management Policy where an employee's absence exceeds the absence triggers identified in the policy an Absence Review Meeting is held. These reviews are an essential way of managing sickness absence, maintaining contact and reinforcing the level of expectation in relation to attendance at work. Table 5 at Appendix 2 details the number of formal warnings, dismissals and ill health retirements during 2017/18 and 2018/19.
- 2.3.12 The Office of National Statistics (ONS) latest published data quantifies that more than a quarter (26.2%) of all days lost through sickness absence in the UK were attributed to minor illness such as coughs and colds and as such minor illness remained the predominant reason for all sickness absences. There are more individual classifications of coughs, colds and flu in the Council than any other form of absence but the main cause of **total days lost** in the authority is related to mental health (stress personal, stress at work, anxiety and depression).
- 2.3.13 The table at Appendix 3 sets out the top 20 reasons for sickness absence in the Council during 2018/2019. The table is ranked by calendar days and includes absences that commenced prior to the reporting year that remained open during the year. The table also provides the detail regarding the breakdown of male to female absences represented as a percentage of headcount and the average age of the employees who have been absent with the specific condition. Finally details of the average duration of the absences to date are noted.

## 2.4 **External Benchmarking - latest insights**

- 2.4.1 The all Wales comparative data is set out in Appendix 4. The Council reports the highest days lost of all reporting councils moving from the fourth highest reporting in 2017/18 - this is the second largest deterioration.
- 2.4.2 Blaenau Gwent, Wrexham, Cardiff and Caerphilly all report lower quartile results for two consecutive years'. Bridgend and Monmouthshire also report lower quartile results for 2018/19 with Ceredigion and Torfaen moving out of the lower quartile for 2018/19.
- 2.4.3 Denbighshire remains the local Authority with the best reported result year on year and is the only Authority to deliver a result that is less than 8.5 FTE Target.

## 2.5 **Historical Measures to Improve Attendance**

- 2.5.1 The Council has, over many years, introduced a range of initiatives to assist in the effective management of attendance. Detailed below, are some of the key aspects of the Council's improvement programme:
- An Attendance Management Policy (reviewed by an Elected Member Task and Finish Group 2018) that defines the expectations for attendance and sets out guidance on the management of sickness absence.

- Guidelines, regular training and briefing sessions for front line managers on the management of attendance.
- A new Occupational Health Service – working in partnership with the Council to better shape the service.
- Change management training for managers and coping with change and resilience training offered to staff.
- A policy and practical toolkit for managers to use in managing stress related issues and an immediate referral to the Occupational Health Service for stress related absences.
- A Corporate Task and Finish Working Group led by the Corporate Director of Education to implement an action plan further to an internal audit of managerial compliance.
- An extensive range of flexible working arrangements which are more than comparable to other Local Authorities in Wales.
- Performance Information provided to senior management and reported into Corporate Overview Scrutiny Committee as part of the performance management framework.
- Regular discussion and learning nationally and regionally in managing sickness absence.

## 2.6 **Ongoing Measures to support improvements in attendance**

### 2.6.1 **HR/Payroll system (iTrent)**

Managerial self-service rolled out in April 2018 (Schools December 2018) is an enabler in managing sickness absence, the manager can record and view sickness absence directly in iTrent. Developments are ongoing which will enhance the system to provide detailed sickness performance information removing the reliance on manual recording systems. Furthermore such development will also allow for enhanced analysis of sickness trends and managerial compliance e.g. completion rate of return to work interviews.

### 2.6.2 **Performance information**

Quarterly sickness absence outturn figures are provided to senior management and reported into Corporate Overview Scrutiny Committee as part of the performance management framework. Workforce profiles providing service workforce data and management information to help managers to plan and lead service performance and improvement are issued to directorates and all Schools. The Corporate Leadership Team considers a corporate workforce profile for the Council and Schools.

Sickness absence targets have been set by the Corporate Leadership Team for the next three years – 11 days for 2019/20, 10.5 days for 2020/21 and 10 days for 2021/22. These targets are set based on an analysis of previous performance and recognising the need for the targets to be realistic but also challenging.

### 2.6.3 **Corporate Leadership Team Engagement**

Sickness absence information for 2018/19 was reviewed at CLT July 2019 including whole Council and Directorate position statements resulting in the following recommendations:

#### **Managerial actions**

- Target setting per service and seasonally
- Hold focussed sessions quarterly to review sickness absence – on agenda for team meetings, etc
- Hold managers to account for managing sickness – end to end
- Objective for managers as part of annual performance coaching and regular 121s
- Ensure managers are using ITrent effectively and timely
- Application of the Managing Attendance Policy ‘to the letter’
- Managers recognising good attendance
- Push ownership to the individual

#### **Organisational Development support**

- Simplify layout of policy
- Report to Scrutiny October 2019 – Review of Sickness Absence
- Relaunch management guidance and awareness raising
- Relaunch/communication to employee on the impact of sickness
- OD Senior Business Partners to work with Directorate Management Teams to give targeted action for ‘hotspots’
- Workforce Well-Being to be strategic theme in new OD Strategy
- Mental Health awareness training for staff and managers and consideration of introducing mindfulness
- Case Study targeted training for managers (pilot held September 2019)
- Introduction of organisational mental health first aiders
- Review of policy for schools – workshop planned autumn 2019
- Develop a standard template for return to work interviews

### 2.6.4 **2018/2019 Top Trigger Case Review**

A review was conducted in June 2019 to consider the cases that are regarded as the top 20 triggers for both the Council and Schools. This review focused on the top 20 triggers (most occasions, longest absences or both) as opposed to the top 20 employees and therefore consists of greater than 20 cases reviewed with the absences of 43 employees considered in total. There are detailed multiple observations from this exercise and a non-exhaustive summary of the findings includes:

- Policy framework fit for purpose – triggers appropriate – potential for policy layout to be simplified.
- Evidence of extreme levels of patterning in the top trigger cases with repeated examples of poor attendance i.e. triggers being met and exceeded and this pattern then being repeated over multiple years.
- Welfare meetings are poorly documented and inconsistently conducted.

- There is an issue evidenced that more action could be taken at stage 2 and stage 3 attendance review meetings i.e. those in which formal disciplinary action could procedurally be the outcome.
- Application of policy poor and inconsistent - no consequence for managers for failing to adhere to Council Policy.
- Risk aversion in decision making.
- Lack of evidence that sickness absence documentation being completed.
- Disciplinary action consideration inconsistent and low for the level of absence.
- Issues with use of ITrent and managers not ending absence and completing working patterns – affecting calculation of data.

### 2.6.5 **Attendance Management Policy**

The Policy remains a key aspect of the Authority's commitment to improving performance and the policy supports a modernised, strategic approach to the management of attendance. The framework of the Attendance Management policy was considered by the Absence Task and Finish Group, who concluded that in the main the principles on which the 2015 policy had been written are still considered in 2019 to be fit for purpose. Following the recent review of cases it is proposed to simplify the layout of the policy document and make better use of managerial guidance.

Annual focussed sessions are held at each school where analysis and action planning for sickness is discussed. Targeted support is given from OD to schools that have been highlighted as sickness 'hotspots'. A workshop is planned with the Strategic HR Headteachers Group to plan the review of the policy for Schools.

### 2.6.6 **Training**

In addition to the development of managerial guidance, a reviewed line management training session has been developed utilising case studies. The Corporate Leadership Team has approved that this training becomes mandatory for all managers.

Mental health training will be targeted to different audiences and will be available for managers and staff. There will be differing formats and content to ensure that managers are upskilled in managing mental health issues and that staff also benefit from increased awareness of how we can all work together to support employees with mental health problems to remain in work. The sessions are currently being piloted during September.

A guide signposting managers and employees to sources of practical advice to improve support for staff experiencing stress or dealing with mental health issues has been made available on the intranet.

## 2.6.7 Wellbeing

The Attendance Task and Finish Group identified the need to take a more strategic and integrated approach to employee wellbeing. The Charter Institute of Personnel and Development (CIPD) defines wellbeing as 'creating an environment to promote a state of contentment, which allows an employee to flourish and achieve their full potential for the benefit of themselves and their organisation' *wellbeing* refers to 'feeling good' and 'functioning well' - both physically and emotionally.

Employee wellbeing is consequently intrinsically linked to levels of attendance. Wellbeing is more than an avoidance of becoming physically sick. It represents a broader concept that includes physical, mental and social health. Employers play a key role in how employees feel at work and this will have a direct correlation on how well the employee performs.

The Wellbeing of Future Generations (Wales) Act of 2015 is about improving the social, economic, environmental and cultural well-being of Wales. Specifically with regard to the wellbeing goal of '*a healthier Wales*' the aim is to have '*a society in which people's physical and mental wellbeing is maximised and in which choices and behaviours that benefit future health are understood.*' Under the requirements of the Act, in June 2018, Blaenau Gwent Public Services Board (PSB) launched its Wellbeing Plan -'*the Blaenau Gwent we want 2018-2023*'.

The reviewed Organisation Development Strategy for 2020 will include a strategic focus on wellbeing. An externally facilitated workshop on developing a 'Healthy Organisation' was held in August 2019 with senior management representation from each directorate. The outcome of this workshop will be reported to the Council in Autumn 2019 and will inform the development of the OD Strategy.

The Employee Assistance Programme (EAP) for employees ceased as part of the financial efficiency programme. Reintroducing an EAP could assist the Council in managing and promoting employee wellbeing. This can contribute to employee wellbeing, help to restore productivity, reduce sickness absence and turnover, including helping individuals with problems to stay in work. It is planned to consider the EAP service as part of a retendering of the Occupational Health Service to commence from 1<sup>st</sup> April 2020.

Other initiatives implemented to support employee wellbeing include:

- Introduction of an annual leave purchase system (July 2018)
- Further extension of the staff benefit scheme
- Agreement with trade unions to align to the principles of the Dying to Work Charter (TUC) (unable to formally sign up due to the Council not have an Employee Assistance Programme)
- Signposting and encouragement of employees to self-access the flu immunisation
- Bi annual staff survey

## 2.6.8 **Flexible working and special leave**

The Council continues to offer an extensive range of flexible working and special leave provisions which compare favourably with other Local Authorities. These policies provide a range of support for employees which could support a reduction in sickness absence. Managers play a key role in promoting these policies to employees.

## 3. **Options for Recommendation**

### 3.1 **Option 1**

That the Scrutiny Committee having scrutinised the sickness absence performance information and proposed arrangements to improve attendance rates within the Council identify any further areas for improvement in order to drive forward performance improvement.

### 3.2 **Option 2**

That the Scrutiny Committee endorse the report and proposed arrangements to support the improvement in attendance.

## 4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

### 4.1 ***Impact on Budget (short and long term impact)***

There are direct and indirect costs of sickness absence which are a key driver in the Council's approach to effectively improve attendance at work.

### 4.2 ***Risk including Mitigating Actions***

The underperformance in relation to the high levels of sickness absence does present a significant risk in terms of the impact on front line service delivery and continuity through lost time and staffing changes. In addition, the financial implications associated with sickness absence directly impact on the Council's financial efficiency targets and the level of financial savings that the Council needs to achieve. Mitigating actions are detailed within the report.

### 4.3 ***Legal***

There are no legal implications arising from this report.

### 4.4 ***Human Resources***

The staffing implications are detailed within the content of the report.

## 5. **Supporting Evidence**

### 5.1 ***Performance Information and Data***

The detailed performance evidence is detailed in the body of the report as well as the actions taken to address the level of underperformance.

### 5.2 ***Expected outcome for the public***

Information included within the report will provide opportunity for the public to scrutinise the Council's performance and provide accountability across the Council.



### 5.3 ***Involvement (consultation, engagement, participation)***

#### **Trade Union Comments**

The Trade Unions believe it is everyone's interest to reduce sickness absence levels to an acceptable level and will continue to work positively with the Council to achieve this. High sickness levels have a significant impact on staff who have to undertake a greater compressed workload for absentees resulting in those helpful staff reporting sick themselves with stress and anxiety.

Since 2010 staff have endured continual uncertainty around their future and livelihoods. There have been continual change programmes and staff downsizing as well as changing strategic leadership; the Council will be aware, staff are required to do more with less.

In previous scrutiny meetings The Trade Unions have stated there needs to be a consistency in approach by managers in addressing absenteeism in staff's one to one meetings. Over 95% of the current workforce as a whole do not take sick leave. The Trade Unions call upon the Council to ensure that the current sickness and absenteeism policies and procedures are being followed by all managers, and to address the small percentage of sickness absenteeism.

### 5.4 ***Thinking for the Long term (forward planning)***

Options detailed in this report contribute directly to enabling the workforce for the future.

### 5.5 ***Preventative focus***

The review of the Organisational Development Strategy will focus on prevention.

### 5.6 ***Collaboration / partnership working***

There are regular discussions with the national Human Resources Directors Network and regionally in terms of good practice or emerging practice in reducing sickness absence. There are early discussions with the WLGA to launch a project to learn from England any initiatives in relation to wellbeing.

### 5.7 ***Integration(across service areas)***

NA

### 5.8 ***EqlA(screening and identifying if full impact assessment is needed)***

The review of sickness absence performance was carried out and included all employees of the Council.

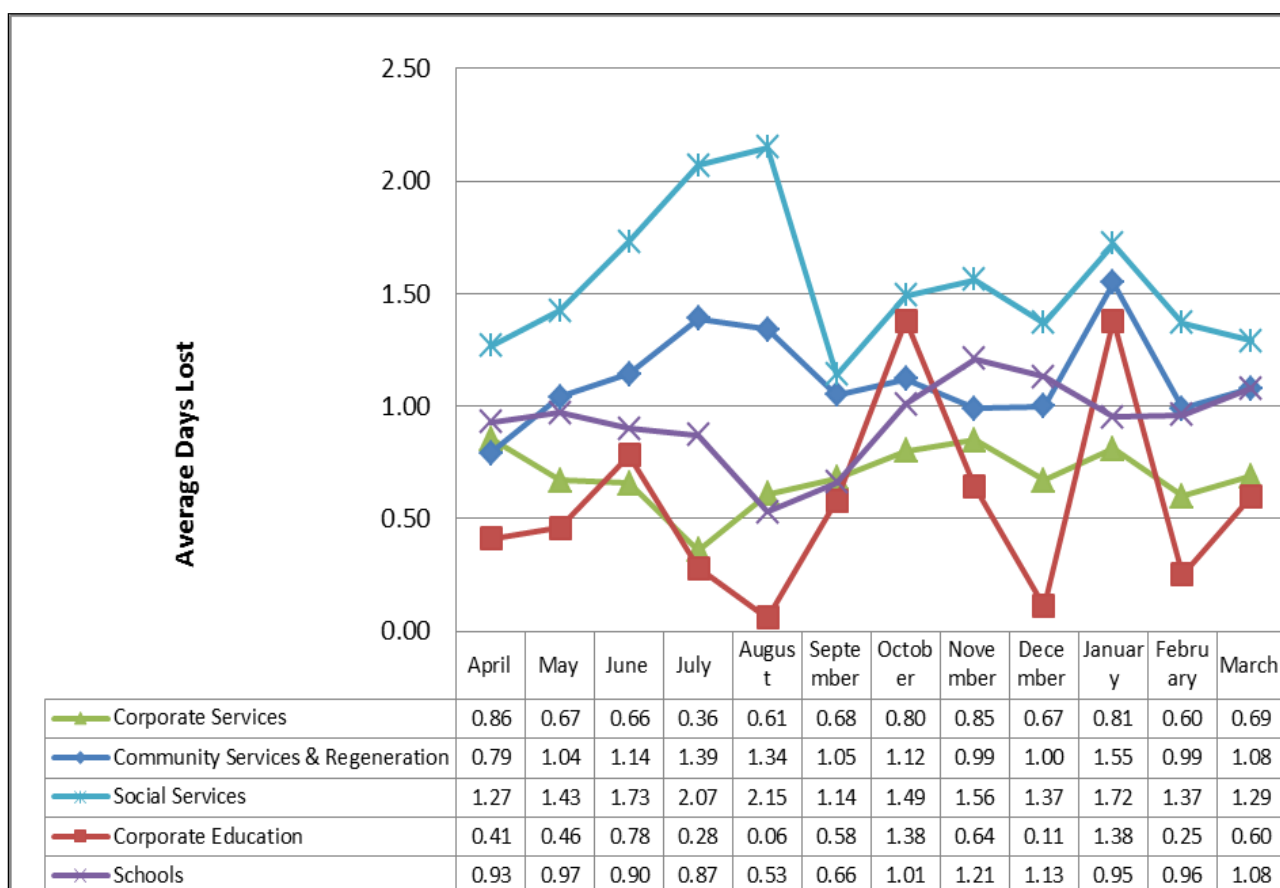
## **6. Monitoring Arrangements**

6.1 Sickness absence statistics are reported to the Corporate Leadership Team (CLT) and Scrutiny Committee on a quarterly basis and an annual performance report is presented to Corporate Overview Scrutiny Committee. Biannual workforce profiles are discussed with Managers and Headteachers.

## **7. Background Documents /Electronic Links**

## Council – Sickness Days Lost per Full Time Equivalent Employee

2013/14	2014/15	2015/16	2016/17	2017/18	2018/19		
11.47	11.50	11.39	12.49	11.23	12.66		
Directorate - Days Lost per FTE							
Directorate historical name	2013/14	2014/15	2015/16	2016/17	2017/18	Directorate current name	2018/19
Resources	7.63	6.02	4.83	5.46	7.38	Corporate Services	8.29
Corporate Services & Strategy	11.82	8.10	7.07	11.08	6.65		
Education	5.90	9.54	14.94	8.19	6.11	Education	6.94
Education School based (Teachers)			13.65	11.82	9.07	Education School based (Teachers)	12.20
Education School based (excluding Teachers)	11.83	13.59	11.29	9.77	9.71	Education School based (excluding Teachers)	10.64
Environment	11.38	8.74	10.35	18.67	19.19	Regeneration and Community Services	11.21
Social Services	12.86	12.60	12.59	14.45	13.60	Social Services	18.19



**Table 1 - Rank order of days lost per month.**

Rank	Month	Total days lost	% of total days lost
12th	Jan	2888	9.7
10th	Nov	2786	9.3
11th	July	2667	8.9
9th	Oct	2660	8.9
8th	June	2535	8.5
7th	Dec	2472	8.3
6th	May	2470	8.3
5th	March	2464	8.2
4th	Aug	2381	8
3rd	April	2261	7.5
2nd	Feb	2247	7.5
1st	Sept	1914	6.4

**Table 2**

Directorate	Bottom 3 months ( i.e. highest absence)			Best month (lowest)
	12th	11th	10th	1st
Corporate Services	April	November	January	July
Regeneration & Community Services	January	July	August	April
Social Services	August	July	June	September
Corporate Education	January	October	June	August
Schools	November	December	March	August

**Table 3 - Short and long term sickness absence by directorate.**

Directorate	Short Term	Long Term
Corporate Services	38.65%	61.35%
Regeneration & Community Services	34.04%	65.96%
Social Services	38.40%	61.60%
Education including Schools	37.93%	62.07%
Schools Total	36.62%	63.38%
BGCBC	37.29%	62.71%

**Table 4 - Breakdown of the 60 employees with greater than 6 months absence**

Directorate	%
Education (including Schools)	44%
Regeneration & Community Services	30%
Social Services	19%
Corporate Services	6%

**Table 5 - Number of formal warnings, dismissals and ill health retirements**

	2017/18	2018/19
Number of formal warnings issued	11	28
Dismissals	17	12
Number of ill health Retirements	7	9

## Sickness Absence Reasons

Rank	Reason	Number of absences	Calendar days	% of male headcount 23%	% of female headcount 77%	Average age of employee	Average days of absence
1	Stress – Personal	200	6975	3.9%	7.3%	47	35
2	Stress-Work related	55	2932	1.4%	1.9%	55	53
3	Anxiety	106	2885	3.0%	3.62%	43	27
4	Surgery/Minor Op	78	2816	1.8%	2.7%	50	37
5	Joint Problem/Pain	75	2547	1.7%	2.6%	52	34
6	Cancers (All)	13	1746	0.4%	0.4%	52	134
7	Back pain/injury	117	1656	6.1%	3.1%	47	14
8	Influenza	232	1340	6.5%	7.9%	46	6
9	Sickness & Diarrhoea	358	1218	6.5%	13.3%	44	3
10	Fracture	38	1195	1.3%	1.2%	46	31
11	Chest Infection	126	883	2.6%	4.6%	45	7
12	Myocardial infarction	94	850	0.2%	0.2%	55	94
13	Abdominal Problems	58	723	1.1%	2.1%	40	12
14	Depression	8	680	0.2%	0.2%	40	85
15	Gynaecological	11	670	0	0.4%	43	61
16	Allergies	20	661	0.7%	2.1%	49	33
17	Pregnancy related	48	620	0	2.0%	32	13
18	Ligament/tendon injury/surgery	23	578	0.7%	0.7%	46	25
19	Migraine	133	549	2.3%	4.9%	41	4
20	Faints	12	413	0.1%	0.4%	41	34

## All Wales Comparative Data

Local Authority	FY 2018-19	FY 2017-18	Movement Year on Year
Blaenau Gwent	12.7	11.2	1.5 ↑
Bridgend	11.9	10.8	1.1 ↑
Wrexham	11.5	10.9	0.6 ↑
Cardiff	11.5	11.3	0.2 ↓
Monmouthshire	11.5	10.9	0.6 ↑
Caerphilly	11.3	12.3	1.0 ↑
Torfaen	11.2	11.1	0.1 ↓
Swansea	11	10.8	0.2 ↓
Ceredigion	10.9	13.6	2.7 ↓
Flintshire	10.5	8.9	1.6 ↑
Isle of Anglesey	10.3	10	0.3 ↑
Conwy	10.1	9.7	0.4 ↑
Newport	10.1	10.1	→
Carmarthenshire	9.8	10.1	0.3 ↓
Neath Port Talbot	9.8	9.5	0.3 ↑
Gwynedd	9.5	8.7	0.8 ↑
Pembrokeshire	9.3	10.2	0.9 ↓
Powys	9.1	9.7	0.6 ↓
The Vale of Glamorgan	9.1	10.1	1.0 ↓
Merthyr Tydfil	8.7	7.8	0.9 ↑
Denbighshire	8.3	8.4	0.1 ↓