

EAST RENFREWSHIRE COUNCILAUDIT AND SCRUTINY COMMITTEE27 September 2018Report by Deputy Chief ExecutiveManaging Absence**PURPOSE OF REPORT**

1. The purpose of this report is to update the Audit and Scrutiny Committee on the Council's sickness absence levels and its approach to managing absence.

RECOMMENDATION

2. The Committee is requested to note the content of the report, the improvement in absence ratings and to support the range of approaches being taken to further reduce absence levels across the Council.

REPORTAbsence Data 2017/18

3. In 2017/18 the Council's overall annual days absence per FTE was 8.5 which is an improvement of 0.5 days from the previous year and 0.8 days below target.

4. The Council has placed significant focus on improving absence and there has been an improving trend since 2014/15. This has been achieved by tackling the absence issue across all departments with particular emphasis on absence hot spot areas. In the last year improvement has been seen in the absence trends with the target being achieved in Chief Executive's Office, Corporate and Community Services and Education. The LGE days absence per FTE is 10.5, an improvement of 1 day on the previous year and the teaching absence performance has continued to perform exceptionally well at 4.5 days absence per FTE. Teaching absence has a significant effect on the council's overall absence as teaching staff account for approximately two-thirds of the workforce.

Absence Benchmarking

5. The LGBF (Local Government Benchmark Framework) data comparing LGE (Local Government) and teaching absence data from all councils is issued by the Improvement Service annually (Table 1) and we review this with respect to our performance and targets. This data is issued retrospectively so the latest data available is for 2016/17. It should be noted that the Improvement Service do not report overall absence data.

6. When reviewing the benchmarking data for 2016/17 the council is ranked 20th out of 32 councils for LGE absence, an improvement from 25th the previous year. The council's LGE absence was 11.5 days per FTE in 2016/17 with other councils ranging from 8.8 to 16.5 days per FTE for the same period. The teachers' absence SPI has moved to 2nd position

from 7th with 4.1 days absence per FTE. In 2016/17, other councils range from 4.2 to 8.7 days per FTE during this period.

Table 1: Statutory Absence Performance Indicator

	2011/ 12 Days absence/ FTE	2012/13 Days absence /FTE	2013/14 Days absence /FTE	2014/15 Days absence /FTE	2015/16 Days absence /FTE	2016/17 Days absence /FTE	2017/18 Days absence / FTE
LGE	10.7	11.3	12.3	13.5	11.8	11.5	10.5
LGE Scottish Average	10.6	11.3	10.3	10.8	10.7	10.9	
LGE National Placing	14 th	21 st	29 th	31 st	25 th	20 th	
Teachers	5.4	5.4	6.1	6.3	5.6	4.1	4.5
Teachers Scottish Average	6.4	6.9	6.1	6.3	6.2	6.0	
Teachers National Placing	5 th	5 th	18 th	16 th	7 th	2 nd	
Overall ERC absence	9.0	9.5	10.3	11.2	9.8	9.0	8.5

7. The CIPD (Chartered Institute of Personnel and Development) annual survey report 2018 on absence management in the UK reports the average absence level has increased from 6.3 days per employee in 2016 to 6.6 days per employee. It should be noted that this figure covers private, public and non-profit sectors. It is based on the number of employees and not full time equivalents and there is considerable variation seen across and within sectors. The CIPD reports the average absence remains considerably higher for the public sector at 8.5 days per employee and this metric shows no change from 2016.

8. CIPD reports that mental ill health, musculoskeletal injuries (including back pain), stress and acute medical conditions are the most common causes of long-term absence, as in previous years. This year, however, more organisations include mental ill health among their most common causes of short- and long-term absence. More than half (55%) of organisations report that reported mental health conditions have increased over the last 12 months.

9. CIPD reports that stress ranks top amongst public sector organisations' top three causes of long term absence (71% compared with 45% of private sector services and 33% of manufacturing and production organisations). Workload/volume of work remains by far the most common cause of stress in the public sector (66%), followed by management style (40%), considerable organisational change/restructuring (34%), non-work relationships/family

(26%) and relationships at work (24%). Four-fifths of public sector organisations are taking steps to identify and reduce workplace stress and the most common methods include promoting flexible working options/improved work–life balance, employee assistance programmes, staff surveys and/or focus groups to identify causes, and risk assessments/stress audits. This year more organisations are providing training aimed at building personal resilience (such as coping techniques, mindfulness) compared with previous years (2018: 44%; 2016: 26%).

10. Recent CIPD research also shows that the public sector has a strong focus on mental and physical health but less of a focus on promoting other aspects of well-being, in particular financial well-being. Recent CIPD research suggests that financial insecurity is increasing with one on four workers reporting money worries have affected their ability to do their job, one in ten say they have found it hard to concentrate/make decisions at work because of money worries and 19% have lost sleep worrying about money.

11. At a national level it is recognised that a number of factors influence the absence figures. For example, the Council continues to provide a large number of services which include a high level of manual tasks included within the Local Government employees. These areas typically have higher absence rates and unlike other councils these services remain in house and are not in arm's length organisations. The one exception is the East Renfrewshire Culture and Leisure Limited and the employees within these services are no longer included in council absence figures. There was very little impact seen as a result of the ERCLT employees being removed from the figures.

Focus on Absence Improvement

12. The CMT continues to support the focus on absence improvement. Over the last few years there has been additional HR resource in place to coach and mentor managers on how best to tackle absence, especially complex issues, so that they have more experience and confidence in tackling these issues moving forward. This resource was focused in the hot spot areas, particularly Facilities Management, Homecare and Schools.

13. The council has a more robust approach to the monitoring and review of absence and the policy with greater clarity included in the policy on how an employee will progress through the different absence stages and the transition between maximising attendance and capability policies. All departments continue to closely monitor absence focusing on both short and long term absence.

15. The top absence reasons in FTE days lost for 2017/18 are stress (non-work related), musculoskeletal and influenza/colds.

16. Stress continues to be the biggest reason for absence in the council and when we look at the days lost for both work-related and non-work related this amounts to 8528, 7396 and 8347 days per FTE for the last three years respectively.

17. The Council has implemented many of the actions mentioned in the CIPD survey to promote health and wellbeing at work including employee surveys, flexible working options, work-life balance policies, stress risk assessments and management training. In addition there has been a strong focus over the last two years to strengthen the capability of managers in promoting employee well-being and attendance ensuring they are trained in absence-handling and that they receive tailored support.

18. The Council provides counselling services to employees either by self or management referral. Counselling covers a range of issues including stress (personal and work-related), critical incident debriefing, debt, gambling, substance misuse, bereavement. The council continues to promote the employee counselling services. In addition we are also exploring opportunities to promote financial security with employees through financial management.

19. The Council uses Occupational Health service provider, People Asset Management (PAM), who support occupational health referrals, ill health retiral assessments, physiotherapy, audio and hand/arm vibration assessments. Each case is assessed on an individual basis to determine all available options with decision making based on full review of all available information.

20. Table 2 and 3 show the number of employees who are dismissed on the grounds of capability and who leave as a result of ill health retiral respectively. The data demonstrates the continued focus on managing long term absences.

Table 2: Dismissals on Grounds of Capability

Dismissal on Capability	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total	1	5	3	13	12	17	15	11

Table 3: Number of Ill Health Retirals

Ill health Retirals	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Total	11	5	9	6	3	14	16	15

21. There continues to be a significant amount of change ongoing within the Council and it is recognised that there is the potential for absence levels to continue to be a concern over the next few years due to the level of change and number of planned service reviews. Significant restructures have been ongoing for six years within the Council and this has impacted on absence in some instances. During service reviews there is a focus on communicating all the changes to encourage as much employee engagement as possible particularly for those employees who remain with the organisation. It is important that they understand how the new workloads will be configured and what it will mean for them.

CONCLUSIONS

22. The council's overall absence performance has continued to improve this year with an overall figure of 8.5 days absence per FTE.

23. The council's absence rate is in line with CIPD research and the council continues to have a strong focus on absence improvement and continues to benchmark and implement training and improvement actions.

RECOMMENDATION

24 The Committee is requested to note the content of the report, the improvement in absence ratings and to support the range of approaches being taken to further reduce absence levels across the Council.

Deputy Chief Executive, September 2018

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