

EAST RENFREWSHIRE COUNCILAUDIT AND SCRUTINY COMMITTEE28 September 2017Report 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.

**REPORT**Absence Data 2016/17

3. In 2016/17 the Council's overall annual absence has improved by 0.8 days per FTE from 9.8 days per FTE to 9.0 days per FTE. This matches the overall performance in 2011/12 and is just 0.2 days absence per FTE away from our best ever performance in 2010/11. The Council sets annual targets to drive absence improvement. The overall target for 2016/17 was set at 9.7 days per Full Time Equivalent (FTE) with 9.3 days per FTE set for 2017/18

4. The Council has placed significant focus on 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 Environment, Corporate and Community Services, Education (LGE) Chief Executive. Teaching absence has a significant effect on the council's overall absence as teaching staff account for approximately two-thirds of the workforce. The teaching absence performance this year has been the best ever and this has contributed greatly to the improved overall council performance.

Absence Benchmarking

5. As previously reported the LGBF (Local Government Benchmark Framework) no longer sets a national target. The LGE and teacher absence data from other councils is issued by the Improvement Service for benchmarking in autumn 2017. This is reviewed with respect to our performance and targets.

6. Table 1 details the Statutory Absence Performance Indicator since 2009/10. When reviewing the benchmarking data for 2015/16 the annual SPI indicator information provided by the Improvement Service shows a positive improvement on the overall ranking. The council is now ranked 25<sup>th</sup> out of 32 councils for LGE absence, an improvement from 31<sup>st</sup> the

previous year. The council's LGE absence is 11.8 days per FTE with other councils ranging from 9.2 to 14.8 days per FTE in the same period. The teachers' absence SPI has moved to 7<sup>th</sup> position from 15<sup>th</sup> with 5.6 days absence per FTE. The other councils range from 4.2 to 8.7 days per FTE during this period.

7. The CIPD (Chartered Institute of Personnel and Development) annual survey report 2016 on absence management in the UK reports that the average absence level has increased from 6.3 days per employee in 2015 to 6.9 days per employee. It should be noted that this figure covers private, public and non-profit sectors. It is based on employees and not full time equivalents and there is considerable variation seen across and within sectors. This means a like for like comparison cannot be made. The CIPD reports the average absence for the public sector is 8.5 days per employee and notes that the level of absence tends to be higher in larger organisations and that on average manual workers have 2.1 more days' absence per year than non-manual workers. Both these points have an impact on the Council's figures.

Table 1: Statutory Absence Performance Indicator

	<b>2009/10</b> Days absence/ FTE	<b>2010/11</b> Days absence/ FTE	<b>2011/12</b> Days absence /FTE	<b>2012/13</b> Days absence /FTE	<b>2013/14</b> Days absence /FTE	<b>2014/15</b> Days absence /FTE	<b>2015/16</b> Days absence /FTE	<b>2016/17</b> Days absence /FTE
Local Govt Emps	13.0	10.8	10.7	11.3	12.3	13.5	11.8	11.5
Scottish Average	11.6	11.9	10.6	11.3	10.3	10.8	10.7	
(National Placing)	28 <sup>th</sup>	18 <sup>th</sup>	14 <sup>th</sup>	21 <sup>st</sup>	29 <sup>th</sup>	31 <sup>st</sup>	25 <sup>th</sup>	
Teachers	5.9	4.5	5.4	5.4	6.1	6.3	5.6	4.1
Scottish Average	7.6	6.6	6.4	6.9	6.1	6.3	6.2	
(National Placing)	5 <sup>th</sup>	1 <sup>st</sup>	5 <sup>th</sup>	5 <sup>th</sup>	18 <sup>th</sup>	16 <sup>th</sup>	7 <sup>th</sup>	
Overall	10.7	8.8	9.0	9.5	10.3	11.2	9.8	9.0
Overall Average	10.4	9.8	9.6	10.2	9.2	No longer reported nationally	No longer reported nationally	No longer reported nationally
(Overall Placing)	20 <sup>th</sup>	6 <sup>th</sup>	12 <sup>th</sup>	12 <sup>th</sup>	27 <sup>th</sup>	No longer reported nationally	No longer reported nationally	No longer reported nationally

8. 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 arms 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.

9. At a national level it is recognised that not all councils are measuring absence in exactly the same way, indeed even where it is measured the same there are differences, for example, the extent to which some local authorities have Arms Length External Organisations varies. An update to the calculation has been issued from the Improvement Service to all councils from 2016/17 however it is already accepted that not all councils will be able to measure in the same way due to different online and manual calculation systems being used.

#### Focus on Absence Improvement

10. The CMT continues to support an increased focus in the area of absence. Additional HR resource was in place until March 2017. This was focused in the hot spot areas, particularly Facilities Management, Homecare and Schools. There has been an emphasis placed on coaching and mentoring managers on how best to tackle absence, especially complex issues, so that they have more experience and confidence in tackling these issues moving forward.

11. An updated Maximising Attendance policy was launched in September 2016 which introduced a more robust approach to the monitoring and review of absence. Greater clarity was also included on how an employee will progress through the different absence stages and also the transition between maximising attendance and capability policies. At the launch specific manager training sessions were held and the updated training has been incorporated into the annual training calendar with the e-learning course updated.

12. All departments have continued with close monitoring of absence focusing on ongoing absence cases, both short and long term, and looking to bring to a successful conclusion dependent on the specific circumstances. Overall managers are more accountable for holding return to work and absence review meetings with changing behaviours and absence being tackled more proactively.

13. Table 2 shows the top absence reasons in FTE days lost for 2015/16 and 2016/17. The data is analysed to determine hot spot areas and causes of absence. The CIPD survey data reports that nearly a third of respondents report that stress-related absence has increased over the last year, with this rising to half of public sector organisations with just one in nine reporting that stress has decreased. In the council there has been a 13% reduction in stress (combining work and non-work related) from the previous year. This is encouraging to see however stress (non-work related) continues to be the most common reason for absence at 5897 days per FTE. The Council has implemented many of the actions mentioned in the CIPD survey including employee surveys, flexible working options, work-life balance policies, stress risk assessments and management training.

14. 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.

15. Benchmarking continues to be undertaken with regards to our policies and procedures and the council remains in line with the approach others are taking.

Table 2 – Top absence reasons for Council employees 2016/17 – number of FTE days absent 2015/16 compared to 2016/17

	Number of FTE days 2015-16	Number of FTE days 2016-17
Stress (non work related)	6876	5897
Musculo-skeletal (except back pain)	3485	3045
Other surgery	3169	2838
Back Pain	2972	2014
Fractures and other disorders	2568	3207
Gastrointestinal disorders	2329	2655
Influenza/Colds	1961	2069
Stress (work related)	1652	1499
Respiratory disorders	1064	1106
Ear, nose and throat conditions	867	1115
	26943	25444

16. The Council continues to monitor the number of employees who are dismissed on the grounds of capability (Table 3) and who leave as a result of ill health retiral (Table 4). The data demonstrates the continued focus on managing long term absences.

Table 3: Dismissals on Grounds of Capability

Dismissal on Capability	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Total	3	1	5	3	13	12	17	15

Table 4: Number of Ill Health Retirals

Ill health Retirals	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Total	15	11	5	9	6	3	14	16

17. The Council changed Occupational Health service provider to People Asset Management (PAM) in 1<sup>st</sup> April 2016. This service supports occupational health referrals, ill health retiral assessments, physiotherapy, audio and hand/arm vibration assessments. There had been concerns with the previous provider as managers felt the feedback from OH referrals was not always factual and sometimes based on perception or people's feelings. Early indications with the new provider are positive and this will continue to be monitored.

18. The Council is taking a robust approach to absence. Each case is assessed on an individual basis to determine all available options with decision making based on full review of all available information.

19. Absence is a regular item on the Trade Union/Management meeting to share the council's overall absence performance with all Trade Unions. The Trade Union have been supportive as absence impacts on their members who often have to pick up additional work.

20. It should be noted that 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 number of planned service reviews. Significant restructures have been ongoing for five 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 means for them.

## **CONCLUSIONS**

21. The absence performance has continued to improve this year with an overall figure of 9.0 days absence per FTE and while stress (non-work related) remains the highest category there has been a significant reduction in the number of days absence lost to this.

22. It is recognised that the teaching absence has significantly influenced the overall absence figure and that further improvement could be seen in LGE absence.

23. Improving performance in absence levels across the Council remains a priority for the CMT and there continues to be a focus on current absence levels.

## **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 2017

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