

EAST RENFREWSHIRE COUNCIL  
AUDIT AND SCRUTINY COMMITTEE

18 August 2016

Report by Deputy Chief Executive

Managing 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 Statistics and Landscape

3. As previously reported the LGBF (Local Government Benchmark Framework) no longer sets a national target for absence and instead the Council has set annual targets towards improvement. The overall target for 2015/16 was set at 10 days per FTE with 9.7 days per FTE for 2016/17.

4. Table 1 details the absence trends since 2012/13. In 2015/16 the Council's overall annual absence has improved by 1.4 days per FTE from 11.2 days per Full Time Equivalent (FTE) to 9.78 days per FTE. This is the best performance in the last three years. The overall absence figure is no longer reported nationally.

5. The Council has placed significant focus on tackling the absence issue across all departments with particular emphasis on the hot spot areas. In the last year improvement has been seen in the absence trends in Corporate and Community Services, Education and HSCP with Chief Executive's Office, Corporate and Community Services, Environment and teaching all achieving the targets set.

6. The CIPD (Chartered Institute of Personnel and Development) annual survey report 2015 on absence management reports that the average absence level has increased from 6.6 days per employee in 2014 to 6.9 days per employee. This figure is for private, public and non-profit sectors and is not based on full time equivalents and there is considerable variation seen across and within sectors. The average absence has increased most in the public sector, where it is now 50% higher than in the private sector. CIPD reports that the level of absence tends to be higher in larger organisations and that on average manual workers have 1.5 more days' absence per year than non-manual workers. Both these points have an impact on the Council's figures.

Table 1: Absence Performance Indicator

	<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
Local Govt Emps	11.3	12.3	13.5	11.8
Scottish Average	11.3	10.3	10.8	
(National Placing)	(21 <sup>st</sup> )	(29 <sup>th</sup> )	(31 <sup>st</sup> )	
Teachers	5.4	6.1	6.3	5.6
Scottish Average	6.9	6.1	6.3	
(National Placing)	(5 <sup>th</sup> )	(18 <sup>th</sup> )	(16 <sup>th</sup> )	
Overall	9.5	10.3	11.2	9.78
Overall Average	10.2	9.2	No longer reported nationally	No longer reported nationally
(Overall Placing)	(12 <sup>th</sup> )	(27 <sup>th</sup> )	No longer reported nationally	No longer reported nationally

7. 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 4 years within the Council and this has impacted on absence with workloads being reconfigured and instances where employees who have accepted voluntary redundancy then going absent ahead of their finish date.

8. The Council continues to provide a large number of services which include a high level of manual tasks. 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.

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. The SPDS (Society of Personnel and Development) absence portfolio group has collated information and fed this into the Improvement Service. There is no update on changes to the calculation at this time.

#### Focus on Absence Improvement

10. The CMT continues to support an increased focus in the area of absence. Additional HR resource is in place until early 2017 and is 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. There are a number of approaches being used and best practice is being shared across the Council. For example absence panels are being used in some parts of the Council where the Head of Service works with the managers to ensure that all absence triggers are appropriately responded to and dedicated business support work with managers in some areas to ensure that all appropriate paperwork and meetings are complete. Overall managers are more accountable for holding return to work and absence review meetings with changing behaviours and absence being tackled more proactively.

12. Table 2 shows the top absence reasons in FTE days lost. The data is analysed to determine hot spot areas and causes of absence. This is the first year where the psychiatric illness absence category has been split into three categories: stress (non-work related), stress (work related) and mental health illness. This was to assist with the best approach to take in these situations. In 2015/16 the most common cause of absence was due to stress (non-work related) with 6876 days per FTE. This is in line with CIPD survey data which indicates that the public sector is more likely to rank stress, mental ill health and musculoskeletal injuries among their top reasons for absence. The CIPD survey also indicates that public sector organisations are more likely to put actions in place to tackle stress. 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.

Table 2 – Top absence reasons for Council employees – number of FTE days absent

Stress (non work related)	6876
Musculo-skeletal (except back pain)	3485
Other surgery	3169
Back Pain	2972
Fractures and other disorders	2568
Gastrointestinal disorders	2329
Influenza/Colds	1961
Stress (work related)	1652
Respiratory disorders	1064
Ear, nose and throat conditions	867
	26943

13. The Council provides counselling services to employees either by self or management referral. Counselling covers a range of issues including stress, critical incident debriefing, debt, gambling, substance misuse, bereavement. An analysis shows that not all employees absent with stress are making use of the employee counselling services. To address this the Council's employee counselling provider, Time for Talking, and the HR team are currently planning an awareness campaign of this service. The Trade Unions have agreed that they will distribute flyers and cards when provided.

14. Benchmarking continues to be undertaken with regards to our policies and procedures. As a result of the most recent work the Maximising Attendance policy and corresponding guidance has been reviewed with a more robust version being introduced. Greater clarity is included on how an employee will progress through the different absence stages and also the transition between maximising attendance and capability policies.

15. 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
Total	3	1	5	3	13	12	17

Table 4: Number of Ill Health Retirals

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

16. Through a procurement exercise the Council has changed Occupational Health service provider to People Asset Management (PAM). This service supports occupational health referrals, ill health retiral assessments, physiotherapy, audio and hand/arm vibration assessments. There had been a number of issues 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.

17. 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.

18. 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.

## **CONCLUSIONS**

19. There has been an improvement of 1.4 days in absence with an overall figure of 9.78 days absent per FTE and this is encouraging.

20. 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.

21. The Council continues to take a more robust approach against absence with continuing higher number of terminations on the grounds of capability, the planned introduction of a more focussed policy in September and a number of targeted activities especially within high absence areas.

## **RECOMMENDATION**

22. 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, August 2016

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