PLYMOUTH CITY COUNCIL

Subject: Sickness absence update

Committee: Support Services Overview & Scrutiny Panel

Date: 15 April 2013

Cabinet Member: Councillor Peter Smith

CMT Member: Adam Broome (Director for Corporate Services)

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Ref:

Key Decision: No

Part: 1

Purpose of the report:

Support Services OSP requested a review of Plymouth City Council's occupational health (OH) services and link to sickness absence levels on 2 July 2012. An update report was provided on 6 August 2012. This is a further update providing:

1. background
2. current sickness absence targets and thresholds;
3. current levels of sickness absence;
4. progress to date;
5. plans in place for future development;

Corporate Plan 2012-2015:

Occupational health services support our employees to be fit, healthy and productive and as such, contribute to the delivery of the Council's priorities.

Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land

The cost of sickness absence impacts on our staffing budgets and the ability for departments to deliver outcomes for the city. It also impacts on staff motivation and morale.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

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Recommendations & Reasons for recommended action:
That the panel note the contents of this report

_____

Alternative options considered and reasons for recommended action:
Not applicable

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Background papers:

_____

Sign off:

Fin		Leg		HR	MG	Corp Prop		IT		Strat Proc	
Originating SMT Member: Mark Grimley											
Have you consulted the Cabinet Member(s) named on the report? Yes											

1.   Background

The initial report presented to this panel on 2 July 2012 reviewed the Council's occupational health provision and the link to sickness absence. It was agreed at the meeting that a quarterly update would be provided on the progress of improving attendance. In addition to this regular update, five specific questions were asked, which were answered as part of the update report reviewed on 6 August 2012.

The purpose of this update report focuses primarily on a three month project, based around improving the Council's (non-schools) sickness absence levels.

This project has focussed on:
- Enhanced case management of current sickness absence cases
- Making wider recommendations/observations that will deliver further improvements to sickness absence levels
- Pave the way for strategic project planning for the future
- To co-ordinate, deliver and promote a proactive attendance management service

The project goal is to reduce sickness absence across the Council.

2.   Current sickness indicators and thresholds

In previous years the Council has had a corporate sickness absence target which is the same for all departments. This target was based on the total days lost per FTE employee over a rolling 12 month period. In 2012 / 13 this target was 6 days per FTE. Nearly every department has levels of sickness absence exceeding this target.

Feedback from managers at all levels of the organisation showed a lack of understanding and awareness of these targets. Many felt that the target was unfair and unattainable. Others felt that their team or department were disadvantaged due to their working environment or the type of work done, which they believed resulted in higher levels of sickness absence.

When reviewing the performance measures for the coming year (2013 / 14), it was decided to change our approach. Managers and Assistant Directors still remain accountable for the levels of sickness absence in their department, but the sickness reporting will focus on tolerance levels and indicators to show when sickness levels are too high. This is a similar approach to how we monitor our finances and other key performance data.

The revised indicators range from 5 days per FTE for senior management / support up to 11 days per FTE for departments with staff working in more physically demanding environments or duties.   If sickness absence for a department exceeds the threshold then the Assistant Director should be looking at urgent interventions to reduce sickness levels.

Targets & Thresholds

Directorate	Department	March 2013 Average no. of days sick per FTE	Target	Threshold	Variance on target
Corporate Services	Democracy and Governance	9.04	9.00	10.50	0.04
	Finance, Efficiencies,Technology & Asst	9.26	9.00	10.50	0.26
	Human Resources and Organisational Dev	9.11	7.00	9.00	2.11
	Customer Services	6.40	7.00	9.00	0.60
	Management & Support (Corp Services)	0.00	5.00	7.00	5.00
	DIRECTORATE TOTAL	**8.63**			
Executive Office	Policy, Performance and Partnerships	8.11	7.00	8.00	1.11
	Corporate Communications	5.58	7.00	8.00	1.42
	Management & Support (Chief Executives)	0.00	0.00	0.00	0.00
	EXECUTIVE OFFICE TOTAL	**7.01**			
People	Joint Commissioning & Adult Social Care	13.23	11.00	12.00	2.23
	Homes & Communities	8.42	7.00	8.00	1.42
	Childrens Social Care	10.23	9.00	10.50	1.23
	Education, Learning & Families	8.68	7.00	9.00	1.62
	Programmes Director	3.33	5.00	7.00	1.67
	DIRECTORATE TOTAL (excluding Schools)	**10.18**			
Place	Planning Services	3.45	7.00	7.00	3.55
	Business Team (Dev & Reg)	13.54	7.00	7.00	6.54
	Environmental Services	9.58	9.00	10.00	0.58
	Economic Development	5.78	7.00	8.00	1.22
	Strategic Housing	0.00	0.00	0.00	0.00
	Transport & Infrastructure	7.15	9.00	10.50	1.85
	DIRECTORATE TOTAL	**8.18**			

3.   Current levels of sickness absence

Total Council sickness absence slowly increased between July 2012 and January 2013 from 9.4 days sickness per FTE to 10.01 days sickness per FTE (+0.7 days).

Since January 2013, when the project started, to the end of March there has been a reduction from 10.01 days per FTE to 9.23 days per FTE (-0.78 days).

Appendix 1 shows the council wide sickness levels (excl schools).

Appendix 2 shows the council total average days sick per FTE at departmental level.

The top 5 departments (by AD) are as follows;

	Directorate	Department	March 2013 Average no. of days sick per FTE	Target	Threshold
1	People	Joint Commissioning & Adult Social Care	13.23	11	12
2	People	Children's Social Care	10.23	9	10.5
3	Place	Environmental Services	9.58	9	10
4	Corporate Services	Finance, Efficiencies, Technology & Asst	9.26	9	10.5
5	Corporate Services	Human Resources and Organisational Dev	9.11	7	9

The People directorate reports the highest sickness rate during March 2013 with an average of 10.18 days. Joint Commissioning & Adult Social Care reports the highest average number of 13.23 days.
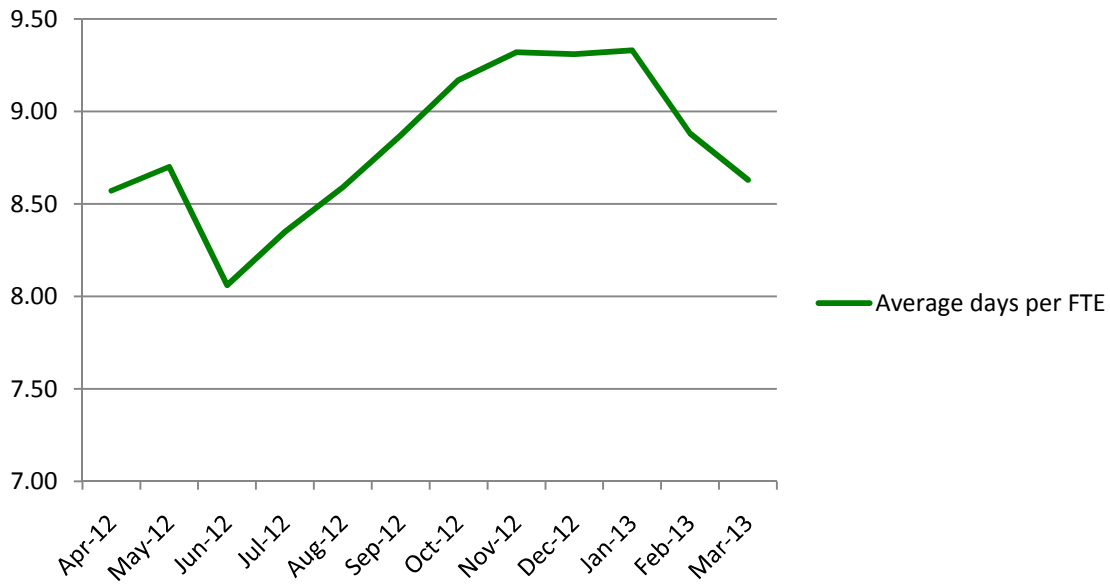
Democracy & Governance report a decrease in the last 12 months with a peak of 12.62 days in July compared to the current 9.04 days in March.

Environmental Services and Transport & Infrastructure both report positive trends of decreasing over the last 12 month rolling period.
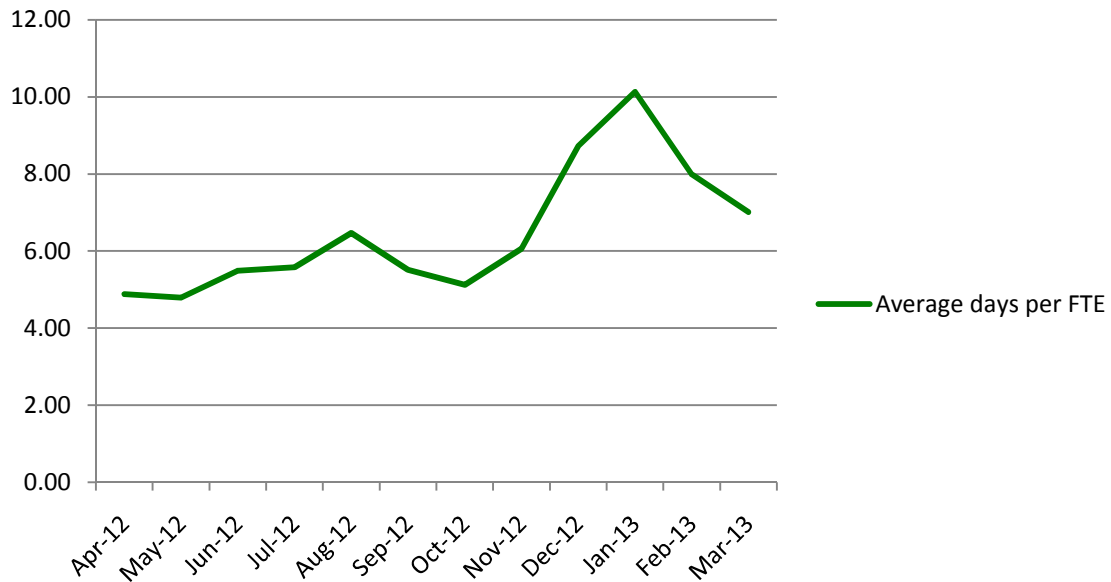
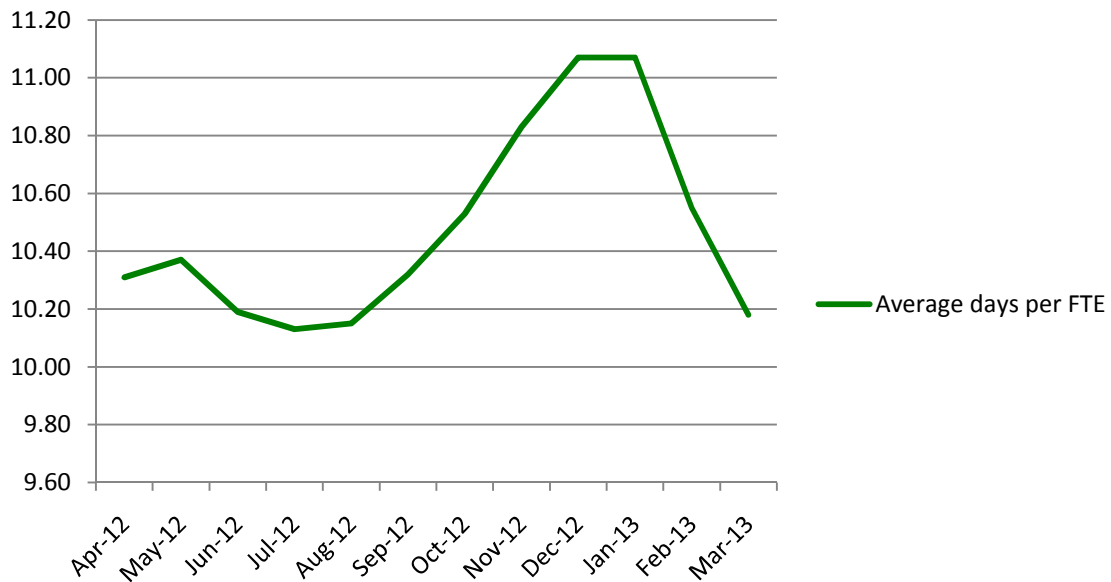## Council sickness (excl schools) average days per FTE
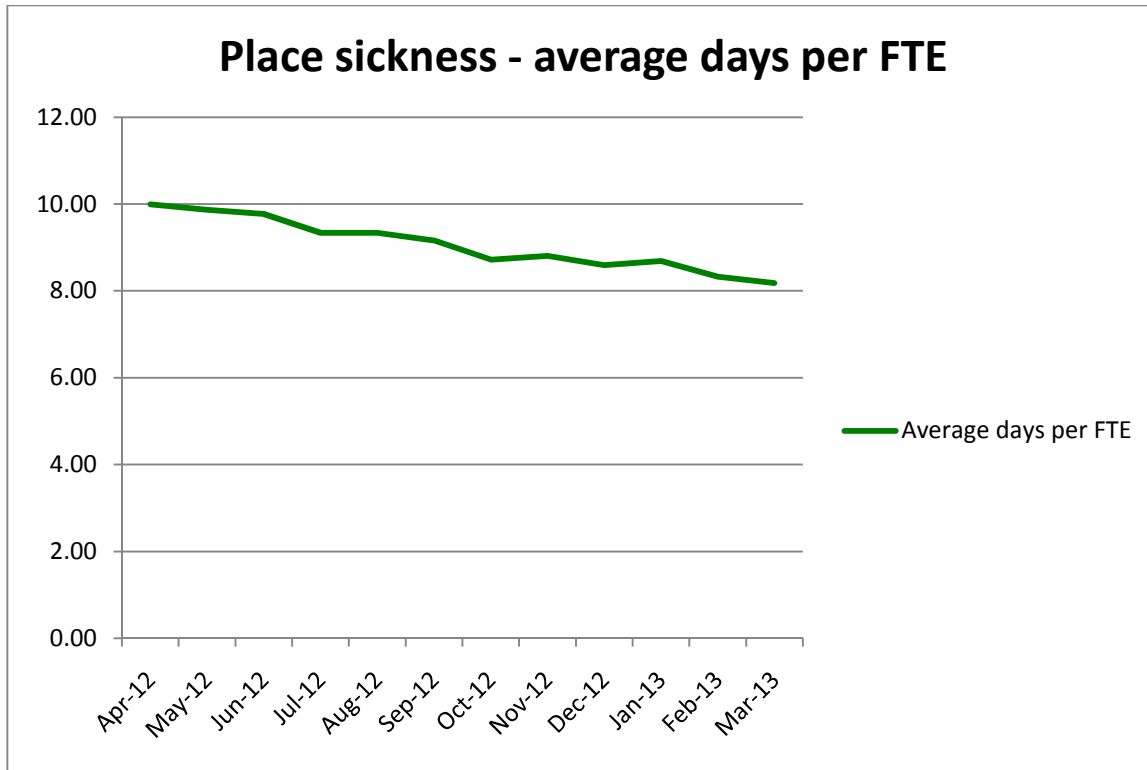

Legend:
- Corporate Services
- Executive Office
- People
- Place
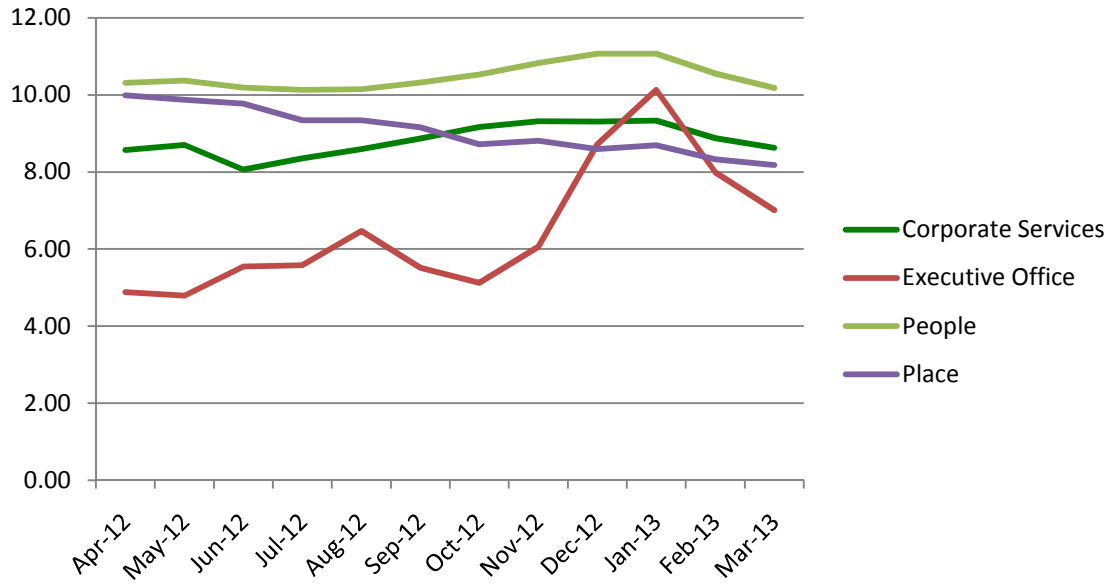
Corporate Services sickness - average days per FTE

Legend:
- Average days per FTE

Executive Office sickness - average days per FTE

A line chart titled "Executive Office sickness - average days per FTE". The y-axis ranges from 0.00 to 12.00. The x-axis shows months from Apr-12 to Mar-13. The green line (Average days per FTE) starts around 4.85 in Apr-12, dips slightly to 4.8 in May-12, rises to about 5.5 in Jun-12, 5.6 in Jul-12, peaks at 6.5 in Aug-12, falls to 5.5 in Sep-12, 5.1 in Oct-12, rises to 6.0 in Nov-12, 8.7 in Dec-12, peaks at 10.1 in Jan-13, falls to 8.0 in Feb-13, and 7.0 in Mar-13.

Legend: Average days per FTE

People sickness (excl schools) - average days per FTE

A line chart titled "People sickness (excl schools) - average days per FTE". The y-axis ranges from 9.60 to 11.20. The x-axis shows months from Apr-12 to Mar-13. The green line starts at about 10.31 in Apr-12, rises to 10.37 in May-12, falls to 10.20 in Jun-12, 10.13 in Jul-12, 10.15 in Aug-12, rises to about 10.3 in Sep-12, 10.55 in Oct-12, 10.82 in Nov-12, peaks at 11.07 in Dec-12 and Jan-13, falls to 10.56 in Feb-13, and 10.18 in Mar-13.

Legend: Average days per FTE

Place sickness - average days per FTE

4.   Progress to date

Whilst the overall 12 month sickness absence rate is reducing, the Council is committed to further reducing sickness levels due to the impact of sickness on operational services, staff morale, productivity, and cost.

4.1 Top 100 cases

In August 2012, an action plan was developed to address the top 100 sickness absence cases. These actions were:

a) HR Advisers meet with departmental management teams on a regular basis to discuss the approach in their service areas for colleagues appearing on the overall top 100 list, both for total number of days off in the last 12 months and Bradford score.

b) HR Advisers meet with line managers for those cases in the top 100 to support individual wellbeing plans to resolve cases. The content of those plans cannot be discussed in this paper as they involve confidential personal information.

c) Cases in the top 100 that are not showing a clear improvement or path to resolution are nominated for an independent panel meeting led by the HR Management team.

4.1.1

In January 2013, an HR consultant was appointed on a temporary three month basis to lead the improving attendance project. Their primary focus is to be the Council lead in co-ordinating attendance/enhanced case management for sickness cases and the reduction of the Top 100 current long term sick cases. Together with the HR Management team, independent case review meetings were conducted with the relevant line managers. 80 cases were identified and 60 cases reviewed at these meetings which were conducted in February 2013.

4.1.2

The diagram below displays the core action from each of the 60 cases heard;
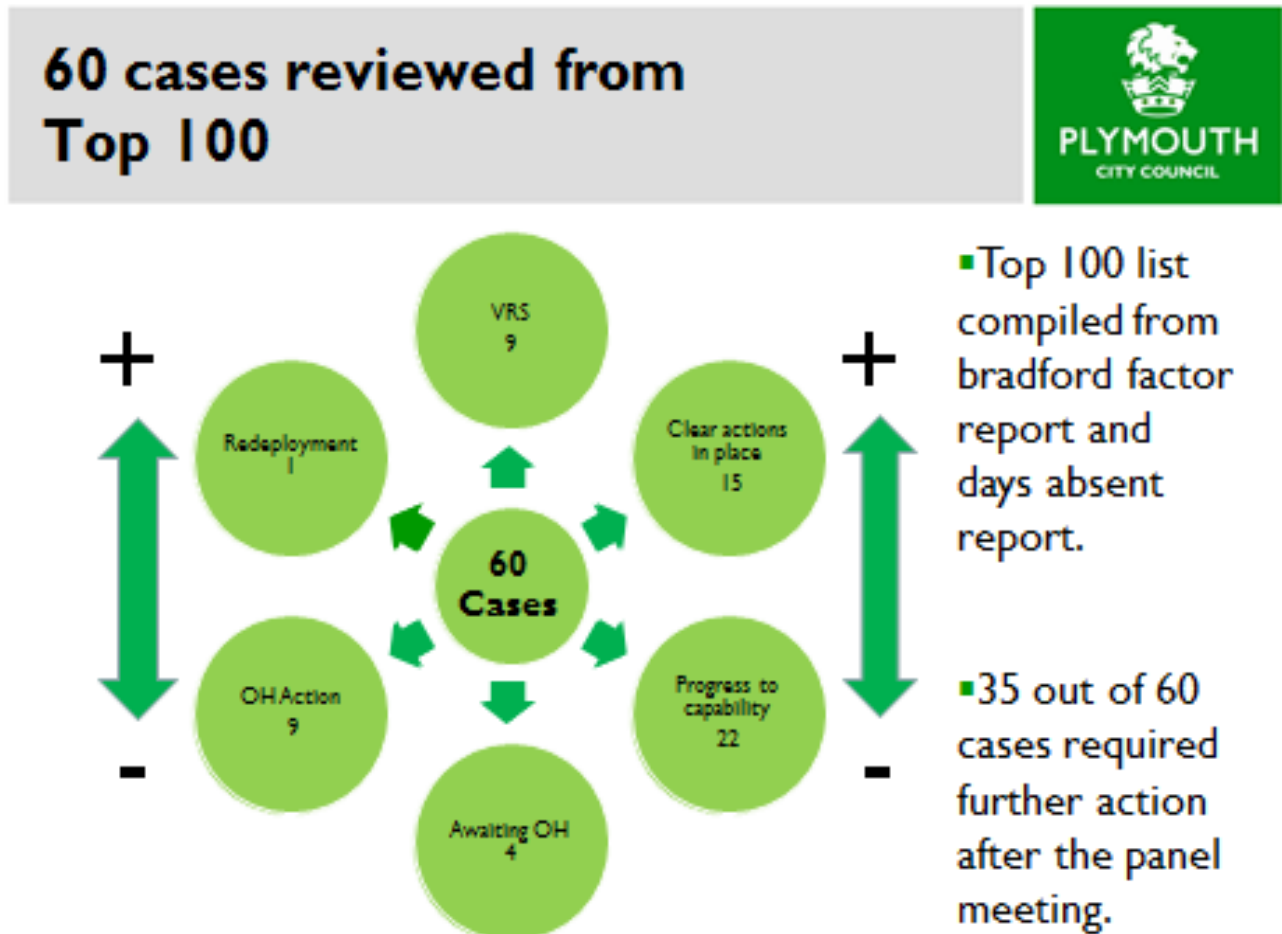
25 cases needed no further interventions. Nine cases had already had applications accepted through the voluntary release scheme. 15 cases had clear actions already in place and one case was awaiting an outcome from the redeployment pool.

35 cases required further action after the panel meeting. Nine cases needed Occupational Health referrals to be made, four cases were awaiting the Occupational Health feedback and 22 cases needed to progress to a capability investigation meeting.

4.1.3

Individual reports have been generated from each meeting and sent to each line manager with clear actions moving forward. Enhanced case management by the HR Consultant to ensure these actions are completed has resulted in the current statistic (wef: 3.4.2013);

- ✓ 11 open active cases
- ✓ 48 closed cases

(out of 60 cases)

Closed cases resulted in various outcomes such as: a return to work, resignation, dismissal due to capability, dismissal due to ill health retirement, redeployment, variations in contracts of employment etc.

Out of the 11 open active cases, there is a proposed decrease of a further 5 cases, leaving the target expected at the end of the project (April 2013) to 6 open active cases.

4.2
Wider observations – key trends

Managers are provided with management information each month to help them manage sickness absence. The HR Advisory and the Health, Safety and Wellbeing teams provide support to line managers to help them manage staff absence. In addition to having robust absence management policies and practices in place, this three month project aims to more clearly understand the underlying reasons for sickness absence, (which are not necessarily always the reasons reported), and tackle the underlying causes of absence, particularly in areas regularly reporting higher than average sickness levels.
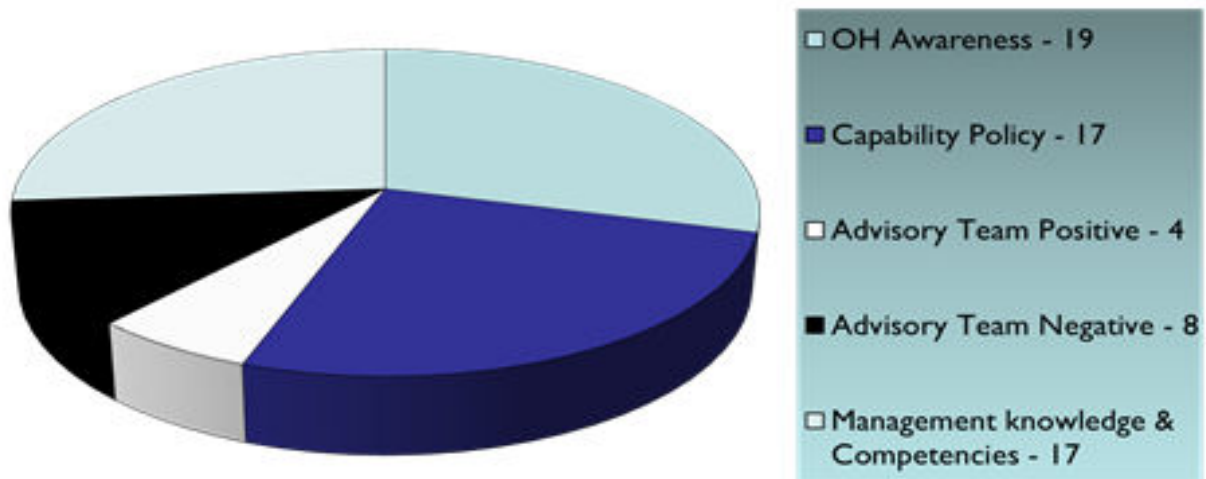
4.2.1
Out of the 60 sickness panel cases conducted, a total of 38 Line Managers (some line managers had multiple cases) were evaluated and the following wider observations and key trends were displayed;

The 4 key trends being;

- Occupational Health
- Capability Policy
- Advisory team
- Management knowledge & competencies

Occupational Health
There was a distinct lack of knowledge, awareness and understanding by managers of the occupational health process and policy.

Capability Policy
There was evidence of line managers using and referring to the capability policy, without a distinct understanding and awareness of the content within it.

Advisory team
A perception that HR/OD advice is not consistent and a lack of understanding from managers of the role HR/OD has to play when managing sickness absence.

Management knowledge & competencies
There was clear evidence of the inability to focus on people issues due to operational pressures. A general lack of skill in dealing with and tackling sickness absence and very little accountability and responsibility to do so.

Another observation during the sickness panel meetings was the lack of clear and defined management reporting and information on sickness absence.

4.2.2
Presentations of the findings and contents of the project work so far have been presented to the HR management team and the HR Advisory teams.

Practical work group sessions within HR/OD have been conducted to review the content of the wider observations and recommendations in more detail.

5. Plans in place for future development

Structured discussion groups are currently being set up with priorities in each of the 4 key areas as defined in 4.2.1. The objective being to further explore the feedback and results and to identify actions and different ways to tackle sickness absence.

The HR management team are developing an action plan to strategically, formulate, maintain and deliver a structured project management approach to achieving the required sickness absence targets.

Operationally, interventions will continue to be developed and the expediting of the individual enhanced case management will continue until 26th April 2013.