

# CITY OF PLYMOUTH

**Report:** Overview and Scrutiny Panel – Performance, Partnership, Corporate Centre, Best Value, Central Services and Industrial Relations

**Subject:** Sickness Absence

**Committee:** Overview and Scrutiny Commission

14<sup>th</sup> November, 2002

**Ref:** 5/OSP/PPCC/NK

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## **Executive Summary:**

The purpose of this report is to submit recommendations, through the Overview and Scrutiny Commission, to the Executive and the City Council following meetings of the Overview and Scrutiny Panel: Performance, Partnership, Corporate Centre, Best Value, Central Services and Industrial Relations with a view to improving the Council's sickness absence.

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## **Corporate Strategy:**

The establishment of Overview and Scrutiny Panels forms part of the corporate strategy for implementation of that part of the modernisation agenda relative to new democratic arrangements.

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## **Financial Implications:**

To reduce the levels of sickness absence would enhance service provision and reduce levels of employment of temporary staff to cover the absences.

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## **Recommendations**

The Panel Recommends that -

- 1 there is an urgent need for an introduction of a Corporate Personnel computerised system following further investigations to include options for partnership working with a view to the possibility of linking into an existing system and the inclusion of a payroll system;

- (2) the collection and reporting of statistical information be revised together with the availability of systems to support this;
- (3) the Human Resources Strategy Group review the Managing Attendance Policy and have regard to the Data Protection Act Code Part 2: Employment Records, the Best Value Performance Indicator targets and counselling services and consult with the recognised Trades Unions and staff on changes;
- (4) the current provision of Occupational Health Consultants Services be reviewed and expressions of interest to provide this service be sought from alternative providers;
- (5) management training be extended to ensure effective management of employees under probationary arrangements relating to absenteeism and the management of health and safety at work;
- (6) further work be undertaken on the correlation of absence to reported stress, accident levels etc.;
- 7) discussions be had with other Unitary Authorities with a view to developing best practice;
- (8) each Directorate develops an action plan to address absence problems in their own area and considers the use of targets for each service area;
- (9) the targets be set by Portfolio Holders in partnership with the Directors;

Portfolio Holders receive monthly statistics from each Directorate on absence levels and these figures be submitted to the Executive on a quarterly basis;

National and Local Conditions of Service be clarified in relation to the payment of sick pay and enhancements;

- 12) the Chief Executive and Town Clerk be asked to consider the calculation by Bristol City Council of the Best Value Performance Indicators for sickness absence and compare those undertaken by other authorities

the Human Resources Strategy be posted on Departmental Notice Boards and on the Council's website;

the progress be reviewed by the appropriate Overview and Scrutiny Panel by the 1<sup>st</sup> July 2003.

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**Background papers:**

- (i) Departmental sickness statistics for salaried and waged employees during May 2002 and details of full time equivalent days lost due to sickness per employee from October 2000 to May 2002 (OSP PPCC 7 02/03);

- (ii) the City Council's Managing Attendance Policy and Procedure (OSP PPCC 7 02/03);
  - (iii) the report of the Corporate Personnel Manager (OSP PPCC 9 02/03);
  - (iv) the Sickness Absence Policy and Procedure of Bristol City Council and Guidance Notes (OSP PPCC 14 02/03);
  - (v) the Managing Sickness Absence and Incapability due to Ill Health of Portsmouth City Council (OSP PPCC 15 02/02);
  - (vi) the report of the Corporate Personnel Officer (OSP PPCC 1102/03);
  - (vii) the report of the Corporate Personnel Officer (OSP PPCC 16 02/03).
  - (vii) notes of meetings of 9<sup>th</sup> September, 7<sup>th</sup> and 18<sup>th</sup> October, 2002;
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**REPORT OF THE OVERVIEW AND SCRUTINY PANEL: PERFORMANCE,  
PARTNERSHIP, CORPORATE CENTRE, BEST VALUE, CENTRAL SERVICES AND  
INDUSTRIAL RELATIONS**

**SICKNESS ABSENCE**

**1.0 Introduction**

A satisfactory level of attendance at work by City Council employees is crucial to the success of the Authority and the departments especially as performance is aimed at the continued improvement of services to the community.

- .2 When comparing sickness absence with other authorities in the Council's family group (Major Cities Group) this Council is identified as the worst performing authority.
- 1.3 The Overview and Scrutiny Commission, at its meetings on 15<sup>th</sup> July and 17<sup>th</sup> October, 2002, agreed that sickness absence be included in the work programme of the Overview and Scrutiny Panel: Performance, Partnership, Corporate Centre, Best Value, Central Services and Industrial Relations.

**2.0 Panel Structure**

Councillors

Councillor James, in the Chair.  
Councillors Bell, Vice Chairman.  
Councillors Brimacombe and Evans

Councillors Martin Leaves (substitute for Councillor Mrs Sloggett) and Purnell attended two meetings only.

Officers In Attendance:

Gill Martin, Corporate Personnel Officer  
Sohail Faruqi, Deputy Chief Executive  
Nicola Kirby, Scrutiny Support Officer

**3.0 Objectives**

3. The Overview and Scrutiny Panel: Performance, Partnership, Corporate Centre, Best Value, Central Services and Industrial Relations met on 9<sup>th</sup> September, 7<sup>th</sup> and 18<sup>th</sup> October, 2002, to consider ways of improving the Council's performance on sickness absence and reduce levels within departments.

3.2 The Panel's findings and recommendations would then be submitted for consideration to the Overview and Scrutiny Commission prior to submission to the Executive or the City Council.

#### 4.0 Invitees

The Panel heard from Gill Martin, Corporate Personnel Officer and Sohail Faruqi, Deputy Chief Executive.

#### 5.0 Written Material

The following documents were considered by the Panel –

(i) Departmental sickness statistics for salaried and waged employees during May 2002 and details of full time equivalent days lost due to sickness per employee from October 2000 to May 2002 (OSP PPCC 7 02/03);

the City Council's Managing Attendance Policy and Procedure (OSP PPCC 7 02/03);

the report of the Corporate Personnel Manager (OSP PPCC 9 02/03) on –

(a) managing attendance highlighting the monitoring process, the current situation and action taken;

(b) the departmental sickness statistics for salaried and waged employees during July 2002;

(c) full time equivalent days lost due to sickness per employee from October 2000 to July 2002;

(d) an analysis of returns on stress related illnesses for the period from 1<sup>st</sup> April to 30<sup>th</sup> June 2002;

(e) the comments of departmental representatives on the current situation within each department;

the Sickness Absence Policy and Procedure of Bristol City Council and Guidance Notes (OSP PPCC 14 02/03);

(v) the Managing Sickness Absence and Incapability due to Ill Health of Portsmouth City Council (OSP PPCC 15 02/02);

(vi) the report of the Corporate Personnel Officer (OSP PPCC 1102/03) –

(a) highlighting the main issues relating to absence management and her recommendations to attempt to reduce absence levels;

(b) providing background information on Best Value Performance Indicators;

- (c) detailing sickness levels both excluding and including school figures;
  - (d) providing departmental reports on their sickness levels;
  - (e) on consultations with other organisations with regard to managing attendance.
- (viii) the report of the Corporate Personnel Officer (OSP PPCC 16 02/03) on –
- (a) Human Resources Systems in other local authorities and organisations;
  - (b) the calculation of the Best Value Performance Indicators by Bristol City Council;
  - (c) reports of the following departments on sickness absence –
    - Social and Housing Services
    - Central Services
    - Direct Services
    - Lifelong Learning
    - Development

## 6.0 Comments

Arising from questions by the Panel, Members heard –

- (a) that the policy had been established in consultation with Occupational Health but that there had been no contact with General Practitioners;
- (b) that some departments had initiated their own computer systems to monitor and trigger action where necessary;
- (c) that consideration had been given to the provision of a computerised corporate personnel system but a system had not been prioritised at the present time. There were also wider implications of the lack of investment in IT within the City Council generally and the need for different systems to be compatible;
- (d) that the payroll system was due to be reviewed in the next few years and consideration was being given to linking the two systems;
- (e) that the statistics were compiled on a monthly basis with fortnightly meetings with personnel managers to discuss any issues;
- (f) that the policy provided for the withdrawal of self-certification in certain circumstances but that difficulties had been encountered with General Practitioners;

- (g) that the Council's policy was similar to other large organisations but that levels of sickness were higher in the Council.
- (h) the areas of concern highlighted by the Social and Housing Services Department;
- (i) that sickness levels within departments were distorted by long term sickness and there was a need for earlier referrals for action;
- (j) that the policy had been scheduled for review 12 months after implementation in July 1999. The policy had been negotiated with the Trades' Unions and any revisions would need to be renegotiated;
- (k) that the numbers of absence review meetings were low and as a result the lack of actions taken by Managers to address issues.
- (l) that the cost of the current provision for Occupational Health which was bought in from Derriford Hospital was £26,000 p.a . In the opinion of the Corporate Personnel Officer, a more effective service could be provided with an in house doctor engaged for 1 day per week at an estimated cost of £30,000 p.a.;
- (m) that there was a lack of stress management although a stress watcher programme was being piloted through the training service;
- (n) other organisational issues which affected absence levels were motivation, morale etc.

The Panel also considered options for improving attendance including the possibility of penalising sickness or rewarding attendance.

It was noted from the policies of Portsmouth and Bristol City Councils that they were very similar to this Council's policy but that the trigger for action contained in the policy of Bristol City Council was 10 days in accordance with the Audit Commission's target.

Since the commencement of scrutiny, the Panel was informed that absence management was now an item on every management team agenda.

## **7.0 Financial Implications**

High absence rates involved costs to the Council in terms of –

- (i) contractual sick pay;
- (ii) increase wage or salary costs if covering the work of absent employees;
- (iii) lower standards of service;
- (iv) disrupted production or workflow;
- (v) low morale.

## **8.0 Main Issues**

The Panel concluded that the main issues were that –

8. The Managing Attendance Policy was inconsistently applied across the authority;
- 8.2 The Policy was implemented in July 1999 and had never been reviewed since its introduction despite a requirement in the Policy for it to be reviewed after one year;
- 8.3 Triggers contained within the Policy as 'cause for concern' were inconsistent with the Best Value Performance Indicator Targets;
- 8.4 Some Managers needed further support to enable them to manage absence effectively;
- 8.5 The correlation between attendance and reported stress related illness had not been fully investigated;
- 8.6 The co-ordination of some data was not effectively carried out to allow for effective reporting;
- 8.7 Were the statistics received from departments correct?
- 8.8 The analysis of absence data was not easily available due to lack of systems;
- 8.9 Occupational Health appointments with the Consultant were not sufficient to cope with demand (10 appointments per week);  
  
Access to specialist treatment because of waiting lists could extend the period of absence;  
  
There was a lack of consistency in the approach to counselling services;
- 8.12 The redeployment process was in need of review in relation to medical redeployees;  
  
Absences relating to accidents were included in the figures and further analysis was needed to consider trends;  
  
Poor attendees were not picked up properly in their probationary period in some sections and became a long term problem;
- 8.15 Absence levels may be systematic of other organisational issues.

## **9.0 Chairman's Summary**

The Chairman, on behalf of the Panel, would like to thank Gill Martin and all those who had participated in the scrutiny process including those involved in providing data and statistics.



## 10.0 Recommendations

The Panel Recommends that -

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- 10) Portfolio Holders receive monthly statistics from each Directorate on absence levels and these figures be submitted to the Executive on a quarterly basis;
- (11) National and Local Conditions of Service be clarified in relation to the payment of sick pay and enhancements;
- (12) the Chief Executive and Town Clerk be asked to consider the calculation by Bristol City Council of the Best Value Performance Indicators for sickness absence and compare those undertaken by other authorities

- (13) the Human Resources Strategy be posted on Departmental Notice Boards and the Council's website;
- 14) the progress be reviewed by the appropriate Overview and Scrutiny Panel by the 1<sup>st</sup> July 2003.