Manchester City Council
Report for Resolution

Report to: Human Resources Subgroup – 31 July 2012

Subject: Attendance Monitoring

Report of: Sharon Kemp, Assistant Chief Executive (People**)**

Purpose of the report

Following on from discussions at the Finance Scrutiny Committee meeting on 24 May 2012, this report seeks to provide the Committee's HR Sub Group with a detailed analysis of the corporate and directorate absence trends and respond to the specific lines of enquiry identified by the Committee.

Recommendation

The Committee is asked to note:

1. The current performance on attendance, including:

    a. The financial cost of long and short term sickness
    b. The impact of covering for absences
    c. Comparison with other relevant authorities and the private sector
    d. The role of the ***m people*** approach in reducing sickness levels
    e. Detail on sickness levels in individual services

2. The actions being progressed to support increased attendance across the Authority.

Wards Affected: All

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Background documents (available for public inspection): Finance Scrutiny Committee meeting of 24th May 2012 – Attendance Monitoring report and minutes of the meeting.

EXECUTIVE SUMMARY

Between May 2010 and July 2012 the Authority's reported level of sickness absence fell significantly from 11.45 to 8.6 days per person. This decline accompanied both a strengthened focus on absence management and a period of significant change across the organisation. However, absence levels have risen during the past year to 9.97 days per person in April 2012.

This increase has coincided with a time of fundamental and prolonged change across the authority and a workforce reduction of around 2,000 FTE. The most significant proportion of actual days lost to sickness relates to long term absence, with a relatively small number of individuals correlating to a high number of days lost. Whilst there are some differences across Directorates in degree and in duration of absence, stress, depression and musculoskeletal conditions are the commonest reasons for absence.

Manchester's current average sickness absence days lost per person of 9.97 days is slightly lower than the Local Authority mean average days lost of 10.9 based on recent CIPD analysis. However, in comparison to comparable Cities absence levels are higher.

The authority has a clear policy and approach to managing attendance and it remains a key priority both corporately and at Directorate level. A range of activities are in place to support improved attendance management and provide the tools managers require. This includes a new Occupational Health provider, a developing Health and Wellbeing Strategy, Directorate Management activity and proactive support and guidance from within HR/OD to support long term absence management and supporting personal resilience through the ***m people*** Support for Change programme.

Responsibility for managing attendance lies with managers and HR/OD have a key role to play in developing the skills and providing the tools to support managers with this role. This area of work will be a continued focus going forward and will be further supported by improved data and reporting, supported by the Employee and Manager Self Service developments which form part of the ongoing SAP upgrade programme.

INTRODUCTION

On 24 May 2012 the Finance Scrutiny Committee considered a report on attendance monitoring which provided the Committee with information on the corporate approach to the management of employee attendance, including progress on managing absence and recent performance trends in this area. The report also detailed the approach to attendance management within the Corporate Contact Centre.

The Committee requested that a further report be submitted to its HR Sub Group to provide more clarity on the progress and approach in relation to attendance management with a particular focus on:

- The financial cost of long and short term sickness
- The impact of covering for absences

- Comparison with other relevant authorities and the private sector
- The role of the ***m people*** approach in reducing sickness levels
- Detail on sickness levels in individual services

Additionally, in response to comments by the Finance Scrutiny Committee, this report outlines current corporate and Directorate activity to support attendance and key management responsibilities in relation to managing absence.

SECTION 1 - CORPORATE OVERVIEW

Absence Trends

1.1 Between May 2010 and July 2011 the Authority's level of sickness absence fell significantly from 11.45 to 8.6 days per person. This decline accompanied both a strengthened focus on absence management and a period of significant change across the organisation. The lowest absence figure was of 8.6 days was in July 2011 and since this time sickness absence has increased to 9.97 days per person in April 2012

1.2 In the past 12 months 44% of the current workforce (circa. 3,905 employees) have had no recorded sickness absence.

1.2 A break down of trends in short, medium and long-term absence is supplied in Appendix 1. It should be noted that due to the changes in the work force and the redesign of services the ability to compare figures is limited. Not with standing this, general trends and analysis can be analysed within this context and the measure in tables 1A and 1B represents the agreed corporate sickness indicator and will be used as the basis for analysis throughout this report.

1.3 As set out below, the 'average days lost per employee' indicator provides the headline measure for monitoring sickness absence. However, in order to provide the Committee with a comprehensive view of the impact and performance in this area, it is important that this is set in the context of other high level statistical trends.

1.4 It should be noted that following discussions the methodology for reporting sickness absence changed from a Best Value Performance Indicator (BVPI 12) which included leavers in taking account of the average number of days lost per FTE over the previous 12 months, to the 'Average Days Lost Per Employee' measure which takes account of the current workforce at the time of reporting and provides a more timely and accurate measure at both corporate and service level. Data for the new indicator is available from May 2010 onwards. For this reason, comparisons are only made with progress in attendance levels from this point.

1.5 However, whilst this reporting change, means some caution should be used when utilising pre April 2010 figures for comparison, the impact is less than 1 day, with the BVPI measure generally higher than the 'Average Days Lost' indicator and there is no impact in terms of the general downward trend in

sickness levels since January 2008. Both Figures are provided from April 2010 below to enable the committee's comparison of trends.

Table 1A - Average Days Lost Per Employee. Corporate Sickness Absence Indicator

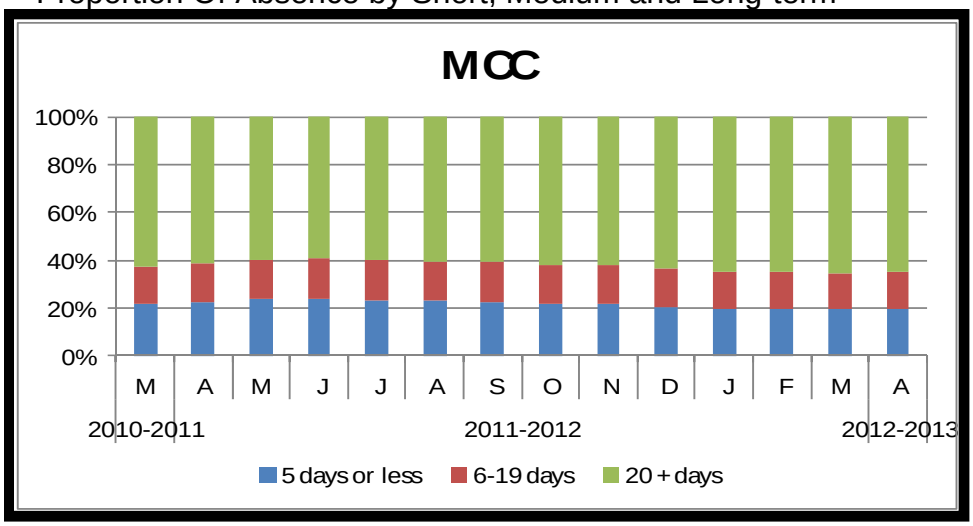
	20010/11	2011/12	2012/13
Average Days Sickness Per Person			
April		**9.15**	**9.97**
May	**11.45**	**8.65**	
June	**11.26**	**8.7**	
July	**11.14**	**8.6**	
August	**10.97**	**8.96**	
Sept	**10.92**	**9.00**	
Oct	**10.59**	**9.10**	
Nov	**10.48**	**9.08**	
Dec	**10.54**	**9.06**	
Jan	**10.33**	**9.36**	
Feb	**10.26**	**9.60**	
Mar	**9.61**	**9.88**	

Table 1B – BVPI Sickness Information (historic performance indicator for comparative purposes)

	2008	2009	2010	2011	2012
BVPI 12 Sickness Absence Indicator					
Jan	13.28	13.55	13.28	12.21	10.48
Feb	13.21	13.35	13.32	11.81	10.61
March	13.08	13.43	13.56	11.62	10.80
April	13.24	13.15	13.35	11.43	10.95
May	13.26	13.09	13.35	11.28	
June	13.51	13.71	13.34	10.26	
July	13.41	13.68	12.99	10.25	
August	13.41	13.61	12.93	10.36	
Sept	13.32	13.57	12.87	10.40	
Oct	13.36	13.61	12.50	10.44	
Nov	13.52	13.64	12.28	10.59	
Dec	13.76	13.39	12.30	10.36	

Absence Duration and Reasons for Absence

Figure 1 – Proportion Of Absence by Short, Medium and Long-term



1.6 Figure 1, above, shows long term absence accounts for the highest proportion of days lost. In these cases, a proportionately small percentage of the workforce are contributing to a much higher proportion of absence. Currently 145 individuals are absent and fall into the 'long term' category of over 20 days sickness. It is clear, therefore, that whilst a robust approach to managing attendance is essential across all durations of absence, effectively managing long term absence cases and ensuring medium term absence does not progress will have the most significant impact on overall organisational performance.

1.7 Table 2 provides an overview of the reasons for absence for the current 145 long term cases. 27% of these cases relate to stress and depression and 18% to musculoskeletal disorder. However the highest percentage of both cases and days lost relates to persistent illness.

Table 2 – Summary of reasons for current long term absence

Reason For Absence	% of Long Term Cases	Days Lost	% of Total Days
Persistent Illness (e.g. Cancer / Heart / Diabetes / Mental Health etc.)	42.76%	12316.0	45.0
Industrial Injury	1.38%	553.0	2.0
Injury	5.52%	1699.0	6.2
Musculoskeletal	17.93%	5315.0	19.4
Post Operative Debility	5.52%	1283.0	4.7
Stress/Depression/Reactive	26.90%	6200.0	22.7
TOTAL	**100%**	**27366.0**	

1.8 There are a range of reasons for the above cases and monthly meetings take place across HR/OD to identify trends and agree common approaches. A number of cases relate to the major corporate causes for absence of stress,

depression and musculoskeletal conditions, whilst others relate to chronic conditions.

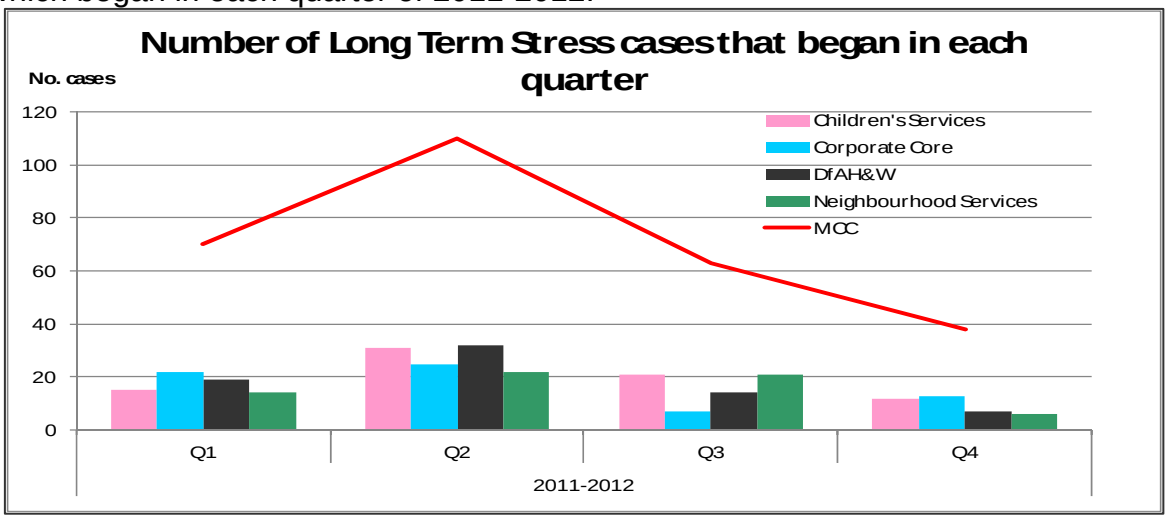
1.9 Short term absence (of between 0-5 days) remains a significant issue for the organisation and accounted for approximately 22% of all days lost due to sickness absence in the past year. The main causes for short term absence are flu symptoms, colds and upset stomachs etc., with circa. 44% of the workforce employed over the previous 12 months falling into this category in the past year (circa. 3,900 individuals).

Medium term absence (of between 5-19 days) which accounted for 16% of days lost due to sickness, in the past year often begins to exhibit with back, musculoskeletal conditions and stress as key causes, it is therefore essential that management action is focused on these cases to avoid continued absence and movement to 'long term' where possible. circa. 16% of the workforce employed over the previous 12 months falling into this category in the past year (circa. 1,400 individuals).

1.11 Appendix 2 shows the current top three reasons across the Council for absence, as stress, depression and musculoskeletal conditions. The rise of stress and depression as reasons for absence over the past year correlate closely to the overall increase in 'average days lost'. Specific measures have been progressed to mitigate against these as set out below, including focused work by the new Occupational Health provider and the developing Health and Wellbeing Strategy. There is early indication of improvement in relation to stress and depression.

1.12 Figure 2 below shows, the number of absence cases which lasted 20+ days, which were due to stress, which began in each quarter of 2011-2012 across each Directorate. As the figure shows, the past two quarters has seen some reduction in this area.

Figure 2 – Absence which lasted 20+ days, which were due to stress, which began in each quarter of 2011-2012.



SECTION 2 - BENCHMARKING

2.1 As an overall indicator/comparator, data taken from the 2011 Chartered Institute of Personnel and Development Survey (CIPD) Absence Management Survey stated the Local Government average days lost during 2011 was 10.9. This was significantly greater than the average in the professional services sector (5.4 days) but smaller than that within the average call centre, where sickness levels are the highest at an average of 58.8 days. More detail on comparison across sectors is provided in Table 3 below.

Table 3 Average Level of Employee Absence, All Employees by Sector Breakdown (2011)

	Average level of employee absence, all employees by sector breakdowns (2011)		
	Sector	Number of Respondents	Average days lost per year (Mean)
Private sector services	Professional services (accountancy, advertising, consultancy, legal, etc)	23	5.4
	Finance, insurance and real estate	23	9.4
	IT services	13	7.3
	Call centres	2	58.8
	Media (broadcasting and publishing, etc)	2	4
	Retail and wholesale	16	6.8
	Transport, distribution and storage	14	8.9
	Communications	2	3
Public services	Central government	21	8.5
	Education	18	7.6
	Health	42	10.9
	Local government	37	10.9
	Other public services	21	8.2
Non-profit organisations	Care services	14	12.1
	Charity services	16	8.6
	Housing association	22	9.6

Comparative data

2.2 Tables 4 provides a comparative analysis of local authority sickness levels across a range of Core Cities as at March 2012 Manchester appears eighth of nine on this list.

2.3 It is important to note that comparisons should be seen as indicative only as it is based on the historic Best Value Performance Indicator for sickness absence (BVPI). BVPI is the average number of days lost per FTE over the previous 12 months including leavers. As an annual measure BVPI is valuable for comparison year on year and against other organisations. However, as a measure for establishing absence relating to the current workforce and by directorate monthly it does not represent the most accurate measure and is less suited to tracking changes in the short term and identifying trends or hot spots.

Table 4 – Core City Benchmarking Data

2011/12 (at end March 2012) BVPI Comparison			
Bristol City Council	7.89	Nottingham City Council	10.62
Newcastle City Council	8.05	North West County, metropolitan and unitary councils (excl schools)	10.76
Sheffield City Council	8.61	Manchester City Council	10.79
Leeds City Council	9.3	Birmingham City Council	11.83
Bradford City Council	10.01		

2.3 Table 5 “Birmingham Benchmarking Data” provides a detailed comparison of absence data with Birmingham City Council. Whilst the exact make-up of staff is not identical to Manchester, the two authorities are broadly comparable structurally and in terms of the challenges they face as inner city authorities in the current economic climate, and there are clear parallels on current performance on managing attendance across services.

Table 5 – Birmingham Benchmarking Data

Organisational Unit	**Birmingham Average Sickness Days per FTE in Period**	**Manchester Average Days Lost Per Employee**
Council Wide	**11.83**	**9.97**
Children’s Services or equivalent	11.60	12.24
Neighbourhood Services or equivalent	12.23	9.13
Adults, Health and Wellbeing or equivalent	16.84	12.26
Corporate Core (MCC), Corporate Resources (BCC)	7.22	7.35

2.4 Comparisons have also been conducted on Directorate trends and ‘reasons for sickness’, with Sheffield City Council – Appendix 3. Whilst the specific categories and classifications are not wholly consistent with those used in

Manchester, the reasons for absence and prevalence of mental health and musculoskeletal conditions are broadly comparable.

SECTION 3 - IMPACT OF COST AND SERVICE DELIVERY

Impact on Costs and Service Delivery

3.1 "Sickness Pay" is a constituent component of individuals' contracts of employment, for which the majority of employees, will receive up to 6 months full pay and 6 months half pay. In many cases, sickness pay supplants basic pay and the absence itself is covered by the re-apportioning of work across the remaining staff. Costs for the first two months of this financial year (2012/13) total £930,000, which would equate to £5,582,000 if projected forward for the remainder of this financial year. If this were to continue, this is slightly less than the total cost in 2011/12 (£6,798,000). The growing proportion of long term sickness, where sick pay has expired, may well account for this lower projection in the context of rising overall sickness.

3.2 Costs of Agency Workers engaged to cover for employee sickness absence totalled £996,987 in 2011/12, with £161,620 costs billed for across the first two months of this financial year, suggesting a broadly equivalent trend to the previous year.

3.3 Whilst both areas represent additional expenditure which could be reduced if sickness levels decline, corporate workforce budgeting approach means that these costs are managed within existing Directorate budgets.

3.4 Specific examples at Directorate level are included at Section 5 of this report which gives an overview of some of the service impacts of sickness absence. In some cases, primarily those where statutory staffing levels must be retained, sickness will be covered by agency staff. However, in the majority of cases work will be reapportioned to be delivered by the remaining workforce which will have a productivity rather than a financial impact.

SECTION 4 - CORPORATE APPROACH TO ATTENDANCE MANAGEMENT

Corporate Strategy for Managing Attendance

4.1 The effective management of attendance is a key corporate priority and an indicator within the Corporate Dashboard which is reviewed quarterly by the Strategic Management Team. Effective attendance management can only be achieved through strong corporate leadership, effective professional and specialist support from HR/OD and, fundamentally a strong and consistent management approach. This section outlines some of the measures in place and being developed to support attendance in general with a specific focus on the most significant contributors to high absence levels as set out above.

4.2 Short term absence remains a significant issue for the organisation and accounted for approximately 22% of all days lost due to sickness absence during the past year. The main causes for short term absence are flu

symptoms, colds and upset stomachs etc. Whilst individual isolated cases of absence are inevitable, it is vital that managers are encouraged and supported to apply the short term absence principles set out within the Managing Attendance Policy. In applying these principles managers can identify early if cases of persistent and repeated short term absence occur. Managers must be confident and robust in dealing with these cases and be prepared to apply incremental warnings as appropriate.

4.3 Medium term absence, which accounts for 16% of all days lost due to sickness absence during the past year, begins to exhibit back, musculoskeletal conditions and stress as key causes of absence. As these conditions have the potential to develop into the longer term sickness cases it is clear that there must be a focus on these cases from an early stage. Corporately the focus must be effective intervention to return individuals to work as quickly as possible, supported by the interventions available from Occupational Health (e.g. physiotherapy and counselling) and a consistent approach to making reasonable adjustments to roles to support a return to work where appropriate. Managers encountering these cases must work with the employees to identify underlying causes/contributory factors and develop appropriate responses. HR/OD, Health and Safety and Occupational Health are available to support in identifying problems and considering solutions. For instances with no apparent underlying causes, cases must be managed in line with the Managing Attendance Policy and managers must consider the individuals wider sickness absence record. Again incremental warnings must be applied where appropriate.

4.4 Long term absence cases account for 62% of all days lost due to sickness absence during the past year and is attributed to only 15% of the workforce. Analysis of current long term absence cases shows that 45 individuals account for 55% of days lost associated with current long term absence. These cases must be managed far more effectively with a focus on an inclusive process exploring adjustments and adaptations that can support a return to work where possible. Where it is clear that a return to work is improbable alternative options such as alternate employment, Ill Health Early Retirement or dismissal should be considered.

4.5 Terminal and persistent conditions pose unique challenges that require careful and considerate management and require extensive Occupational Health support.

The Managers' role in improving attendance

4.6 Managers are the most fundamental source of direct intervention in managing attendance and provide support through day-to-day supervision, engagement and communication with their employees and by application of the Managing of Attendance policy. Appendix 4 details the key steps and considerations managers need to take on board in applying the Management of Attendance policy.

4.7 Over the last year there has been a continued focus on improving absence reporting through quarterly corporate reports, monthly workforce intelligence and monthly data to Directorate Management Teams. The focus on reporting through these mechanisms may well have contributed to an increase in reported sickness.

4.8 Additionally, managers have access to MDT (managers' desktop module) in SAP. This function enables managers to access absence information relating to individuals within their team. They can monitor levels of absence, trends and patterns and respond when pre defined "triggers" are hit.

4.9 The organisation is currently updating the SAP system, including the development of Manager and Employee self service which will further support the reporting and monitoring of attendance by providing automated reports for managers and enabling real time recording and review of absence. Plans for the delivery of the first phase of Managers Self Service are currently being developed. This will place the emphasis on managers to record absence data on SAP and encourage appropriate management of sickness absence. In addition the Manager's and Employees Self Serve also provide in built mechanisms to remind Manager's to undertake key activities associated with the Council's policy and trigger dates. Examples of this include reminders to complete return to work interviews, conduct home visits and refer to Occupational Health. The activities of managers will also be visible to Senior Managers through this process, to allow greater scrutiny of day to day management practice.

4.10 System improvements will also provide an opportunity to support the reporting of disability related sickness absence which will provide a mechanism to ensure the authority makes available the most appropriate and effective support to staff.

m people

4.11 ***m people*** is an over arching framework that enables investment in skills and flexibility within the workforce to meet business needs. There are numerous reasons why an individual might like to change role. The needs of the organisation and the skills and capacity needed to deliver on priorities are key considerations and there will be occasions where an employees skills and their health and well being would benefit from a change in a role. The individual circumstances would be reviewed in terms of needs of the organisation and that of the individual. In some circumstances a manager recognising that a move would be beneficial from a health and wellbeing perspective may ultimately avoid future absence and stress related issues.

4.12 It is through ***m people*** opportunities that movement due to medical restrictions are facilitated. Consideration will be given to appropriate roles that meet individual needs. Effective management of such cases minimises the likelihood of absence.

4.13 The “Support for Change” programme has been widely acknowledged as a positive support mechanism continues to equip employees with the skills to cope with service redesign and potential movement to different roles. The programme has provided support to over 3,000 members of staff and supports the development of personal resilience to improve attendance levels.

The Role of HR/OD

4.14 HR/OD works with managers in ensuring application of policy to ensure more timely management of attendance meetings are carried out, appropriate and timely Occupational Health referrals are made, support in considering reasonable adjustments and enabling a return to work. HR/OD staff monitor absences for themes and trends and individual officers are allocated to support and challenge managers in relation to each long-term sickness case. This role is important in both providing a flexible source of support and guidance to managers and also ensuring that, as an authority, we are fully compliant with our stated policy and legislative requirements, including the Equalities Act (2010).

4.15 The HR/OD Help Desk also offers a “Drop In” facility which gives Managers the opportunity to meet, virtually or in person, with a HR Service Delivery Officer to discuss more complex absence cases and develop suitable strategies. Consultation with manager coupled with further research will inform proactive solutions targeted at addressing the causes of sickness absence at the source.

4.16 The HR Help Desk has also introduced additional features:

i) HR officers now contact managers of absent employees, at fixed points, to ascertain what action has been taken, and offer challenge, guidance and advice on appropriate action to be taken by managers. Where it is evidenced that a Manager is failing to engage on absence issues, this will be escalated through to the Head of Service.

ii) Whilst managers have had access to up-to date sickness information for their teams through the manager’s desktop tool available via SAP, many managers struggle to navigate their way through this functionality. The HR/OD Help Desk provide managers support in accessing and using this information through coaching.

4.17 The HR/OD Service have established four work streams to address the key areas of concern that have a significant bearing on organisation-wide absence: stress, musculoskeletal conditions, short term absence and medium and long term absence. Clear outcomes are being agreed for each work stream and best practice in each area identified to be shared corporately and applied across directorates.

Role of Occupational Health Service

4.18 The new Occupational Health service was launched on 1st March 2012. The new service provision provides access to a full range of support services for staff, including those focused on the most significant causes of absence such as counselling / Cognitive Behavioural Therapy for those with issues related to stress and depression and physiotherapy to support those with musculoskeletal issues. - Approximately a third of all appointments booked by the new provider have been to provide these therapies.

4.19 More detail is provided in Appendix 5, in short, a key focus of the new service, in addition to the above is the provision of more timely and professional advice to address the questions managers have about the employment implications of the medical condition. The current service is increasingly physician led, has a much faster response time, a lower review rate, and overall feedback is that it provides more definite and decisive advice more quickly to managers. Since the contract began approximately a third of all appointments booked have been to provide these therapies.

Health and Well-being

4.20 Work is currently underway to develop a Health and Well-Being strategy for the Council. The Strategy is being developed in collaboration with Trade Unions, Staff Groups, Public Health partners, managers and Health professionals. The intention is to ensure a strategy which is both based on best practice and practically applicable to support improved health and wellbeing and tackle some of the root causes of absence.

Managing of Attendance Steering Group

4.21 Discussions have taken place with the trade unions on the current performance on managing absence and a Management of Attendance Steering Group comprising representatives from trade unions and service managers has been established. This joint approach to managing the issues around attendance will provide a key forum to ensure approaches to developing trends and issues are developed in partnership with the Unions and services from the outset and are supported by their learning and experiences.

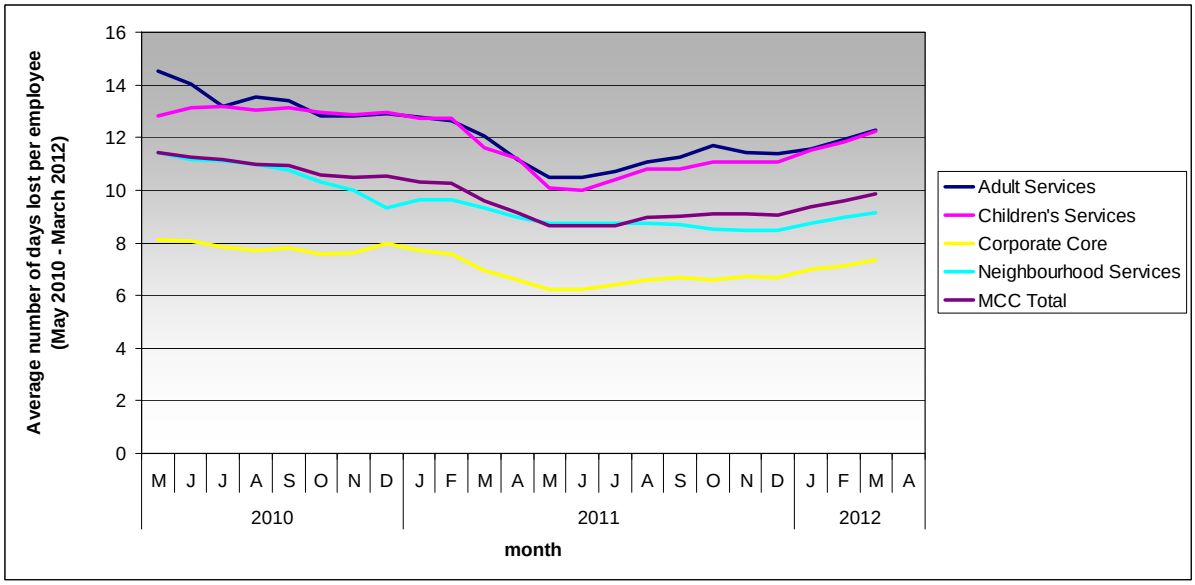
SECTION 5 – OVERVIEW OF DIRECTORATE ISSUES AND APPROACHES

5.1 Trends in terms of sickness duration and reasons are largely comparable across the authority. However, it is important to highlight particular trends within Directorates.

5.2 Figure 3 “Average Number of Days Lost Per Employee” shows the trends in absence levels by directorate and compares this to the authority wide trend from May 2010 to March 2012. Over the period average absence per employee across all directorates dropped to a low in May/June 2011 and since then, there has been an increase in average absence levels across the organisation within all directorates. It is notable that whilst the level of absence varies across directorates the patterns are consistent. As set out

above, this increase in overall absence levels correlates to an increase in the number of cases related to stress and depression, a pattern which is consistent across Directorates, with Musculoskeletal issues being a slightly more significant reason for absence in Neighbourhood Services .

Figure 3 – Average Number of Days Lost Per Employee



5.3 Within each directorate management of attendance and reducing absence due to sickness remains a key priority in all business areas and is reflected as a key priority in business plans. Where specific issues have been identified key areas of activity are in place.

5.4 The HROD service delivery teams work proactively with managers to support them in understanding the key issues in their area and to offer advice and support around specific cases or strategies.

5.5 The Strategic Director for Adults, Health and Wellbeing issues clear messages to the management team on the importance of attendance at work emphasising responsibility and accountability. Attendance targets are being redefined with Heads of Service who will take overall responsibility for Attendance Management and they will be required to report monthly. Performance of absence levels against targets set are monitored via the meetings chaired by Assistant Directors which are held monthly.

5.6 The Children's Services Directorate Resourcing Panel review absence data for each Service Area on a bi-monthly basis. Heads of Service attend meetings with the Panel to discuss key issues, trends and themes and advise on strategies. As Social Work has been identified as a "Hotspot" for absence issues specific activity is being undertaken across Social Workers and Managers from Area Safeguarding, Family Placement and the Safeguarding and Improvement Unit in August 2012. The intention of this activity is to establish any underlying issues and concerns which maybe contributing to absence cases relating to stress and conversely identify any areas of good practice which could be modelled across the Services.

5.7 In the Corporate Core and Neighbourhood services regular drop in and advice sessions are held at satellite locations to supplement training and capacity building for managers including workshops, briefings, drop-in sessions and absence clinics. Quarterly meetings are held between HR/OD and Heads of Service to review sickness cases/statistics. The delivery of sessions for managers on the impact of the Equality Act on management of attendance and bespoke Managing of Attendance topical sessions delivered as identified by service managers.

5.8 In addition within Neighbourhood Services where it is recognised that Muscular Skeletal Disorders are the main reason for absence. HR/OD are working with Occupational Health Providers to obtain intelligence on return rates for absent employees in this category and to more fully understood the success rates of different interventions

5.9 Table 6 below provides a summary of current 'Average Days Lost' at a service level across Directorates. The remainder of this section provides a breakdown of specific trends and issues at a service level.

Table 6 Average Days Lost by Service Area

Service Areas	Average Days Lost
Directorate for Adults, Health and Wellbeing	
Integration and Partnership	4.63
Business and Quality	14.04
Integrated Community Provision	11.84
Strategic Business Support	8.41
Public Health Manchester	3.72
Directorate Average	**12.26**
Children's Services	
Executive	0
Commissioning & Performance Improvement	6.65
Safeguarding Provision	14.07
QA & Strategic Commissioning	11.70
Education Services	0.64
Directorate Average	**12.24**
Corporate Services	
Audit & Risk	12.26
Procurement	5.21
Financial Mgt.	6.73
Capital Programme	7.66
Corporate Property	7.16
Revs & Bens & SSC	7.41
Directorate Average	**7.41**
Chief Executives	
Executive Office	6.3

Regeneration	7.59
Performance	7.77
City Solicitors	6.02
Directorate Average	**7.31**
Neighbourhood Services	
Business Units	10.36
NDT	7.21
CCS (Including Culture)	7.68
Galleries	4.73
Business Support	3.71
Directorate Average	**9.13**

The Directorate for Adults Health and Wellbeing

5.10 At March 2012 over 68% of all absence within DfAHW is long term absence, which is a 2.9% increase in comparison with March 2011. During this period Short term absence has reduced by 3% and Medium term has increased by 0.5 %.

5.11 Stress, Depression and Anxiety accounts for over 60% of all long term sickness for the 12 months to March 2012. This is has increased from 37% in December 2011 to 45% in February 2012. Detailed analysis of the causes of the stress related absences in the medium and long term categories is currently being undertaken and an action plan is in place.

5.12 The cost of sick pay for April and May 2012 was £258,000. The Directorate also paid £91,398 in Agency Worker fees over the previous three months to cover absence resulting from sickness.

5.13 The Directorate Management Team have agreed a reinvigorated approach to management of attendance which includes redefining targets for Sickness Absence for each service area. These targets will be used as key performance indicators for Heads of Service, to review management performance and report progress against on a monthly basis.

5.14 Directorate Management of Attendance Strategy Group will promote support available for managers including the workshops on practical application of Management of Attendance, the impact of the Equality Act on management of attendance and Employee Wellbeing. Additionally, an individual has been identified within the directorate to actively promote good attendance management practice.

Children's Services

5.15 The majority of absence in Children Services is long term, i.e. 20 plus days, typically over 70% of all annual absence. Comparison over the last 2 years financial years shows the proportion of short, medium and long term absence have remained constant.

5.16 The most significant cause of long term absence in Children's Services is stress (29%) followed by depression and reactive illness. The highest cause of sickness for medium to long term absence cases, in the last 12 months is Muscular-skeletal, 21%; but the second highest, stress (18%) transits into long term absence, and is the predominant reason for long-term sickness. Most cases of this nature are either within Residential Services or Area Safeguarding.

5.17 The cost of Sick Pay for April and May 2012 for Children's Services was £254,000 and the cost of Agency Workers specifically engaged to cover sickness related absence over the previous three months was £214,538.

5.18 The Director of Children's Services and Strategic Business Partner are in the process of meeting Assistant Directors to discuss the management of attendance and to follow up on action plans to address the issues highlighted in this report.

Corporate Core

5.19 Further analysis of the long term sickness cases in this area shows that they are not concentrated in any particular area of the Directorate. In Corporate Services 4 out of 5 of the longest absence cases are cancer related absences whilst the 5th case relates to a fractured back. In Chief Executive's a number of the longer term cases are attributed to a variety of reasons including chronic fatigue syndrome, ME, pregnancy related illness and surgery, in addition to two cancer related absences.

5.20 Depression and stress feature significantly in Chief Executives, over the last few months there has been further analysis of the causes and it has been identified that most of these cases are as a consequence of personal issues rather than work related. In Corporate Services bereavement reaction is significant which again is attributed to personal circumstances rather than work related.

5.21 Stress and Cancer feature significantly in both Directorates for long-term absence. Cancer cases are being managed sensitively and more recent detailed analysis of the causes of the stress/depression related absences in the medium and long term categories reflect that it is largely not work related stress but attributed to significant issues in the employees personal life e.g. partner/ family illness, bereavement, etc.

5.22 The cost of sickness for Corporate Services and Chief Executives for April and May 2012 total £57,000 and £177,000, respectively. In addition the corporate core spent £8,003 over the past three months on Agency Workers to cover for sickness absence.

Neighbourhood Services

5.23 The majority of absence in Neighbourhood Services is long-term, typically over 60% of all annual absence. Comparison over the last two financial years shows the proportion of short, medium and long term absence have remained constant, with just a slight increase in the percentage of absence apportioned to long-term sickness. Neighbourhood Services is unique within MCC as muscular skeletal disorders are the top reason for overall absence.

5.24 Within the last year it is noted that approximately 2,064 days were lost due to specific circumstances linked to individual disputes with the organisation or where the organisation was taking some disciplinary action against a small cohort of individuals.

5.25 The cost of sickness pay for Neighbourhood Services was £184,000 for the period April and May 2012. In addition the Agency Worker fees for the previous three months were £10,970 to cover for sickness absence.

SECTION 6 – CONCLUSION

6.1 Responsibility for managing attendance lies with managers. HR/OD have a key role to play in developing the skills and providing the tools to support managers to design specific approaches, embed better case management practice, improve officer collaboration and provide swifter access to professional advice and, where appropriate, treatment. This area of work will be a continued focus going forward and will be further supported by improved data and reporting, supported by the Employee and Manager Self Service developments which form part of the ongoing SAP upgrade programme.

6.2 Current and future activity must be measurable and developed to deliver a sustained positive impact upon absence levels across the organisation. This will be driven from SMT, with Strategic Directors, supported by their HROD Strategic Business Partners taking a lead role in managing issues and emerging trends in this area and implementing both the corporate approach and Directorate strategies.

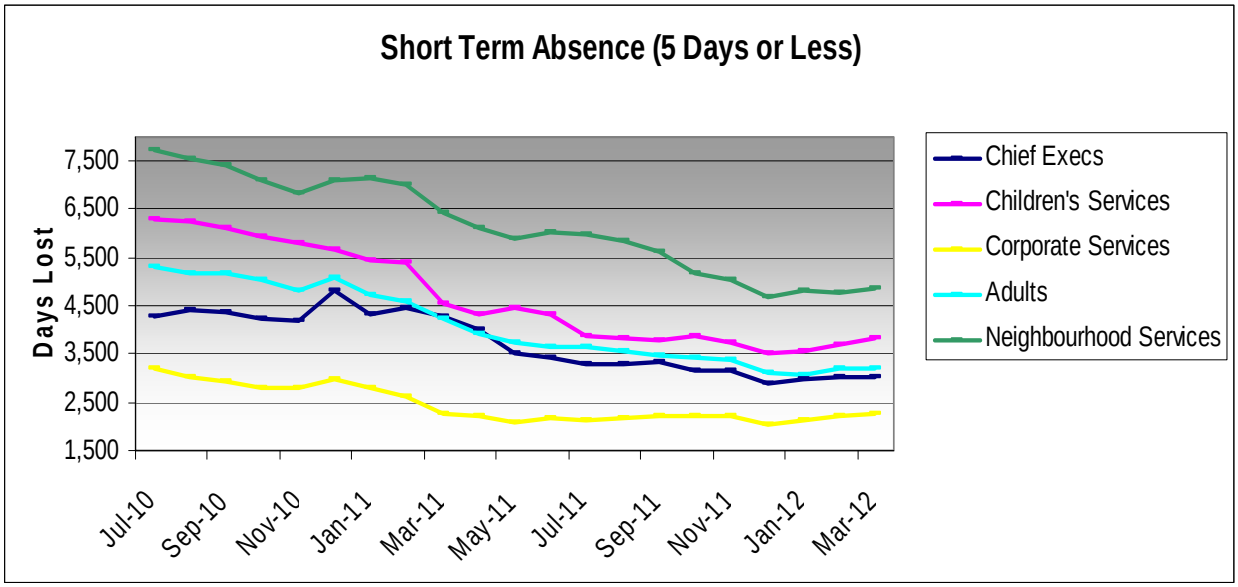
SECTION 7 – RECOMMENDATIONS

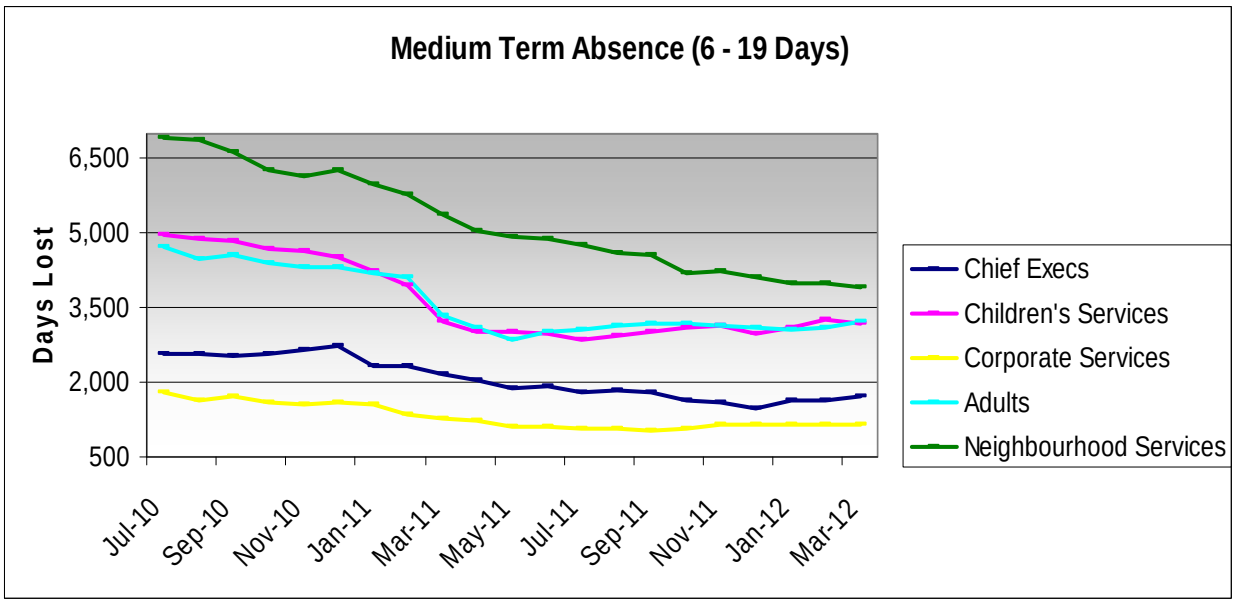
7.1 The Committee is asked to note the current performance on attendance, together with the actions being progressed to support increased attendance across the Authority.

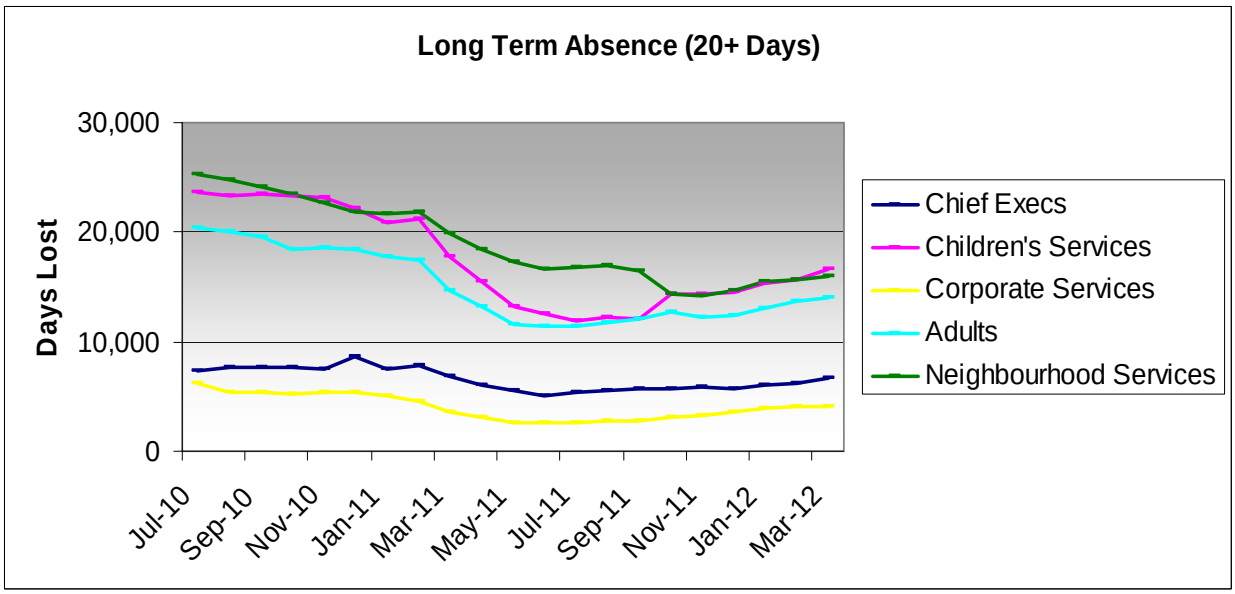
Appendix List

Appendix	Title
1	Absence Trends
2	Days Lost – Three Main Causes of Absence (March 2011 – March 2012)
3	Bench Marking Data
4	Managing Attendance Policy Steps / Actions
5	Occupational Health Provision

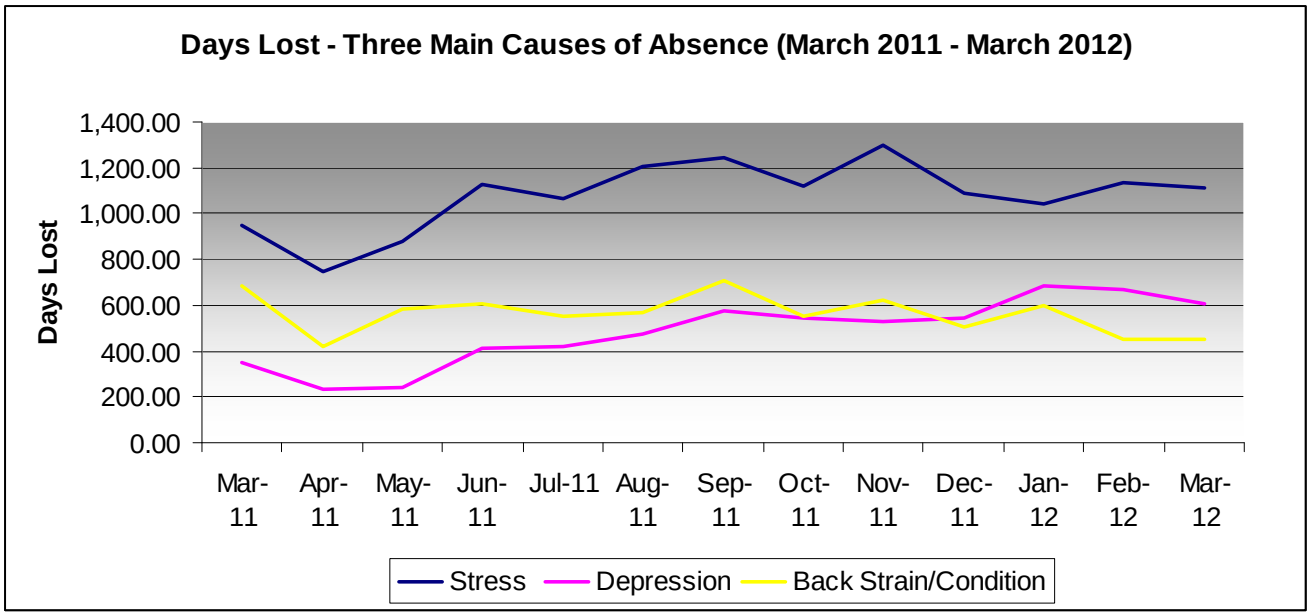
Appendix 1 – Absence Trends







Appendix 2 – Days Lost – Three Main Causes of Absence (March 2011 – March 2012)



Appendix 3 – Bench Marking Data

Sheffield City Council – Reasons and Proportion of Absence

Cause	% of all absences	% of all "over 6 weeks" absences	% of all "1-6 weeks" absences	% of all "up to 1 week " absences
Anxiety etc	24.3%	35.7%	18.2%	4.1%
Musculo-skeletal	21.1%	24.4%	23.1%	9.2%
Colds/coughs/flu	11.4%	2.3%	11.7%	34.6%
Stomach/intestinal	10.1%	5.9%	8.5%	23.64%
Other	7.5%	6.9%	9.1%	6.3%
Cancer	4.6%	8.8%	0.6%	0%
Lung/respiratory	4.2%	1.5%	8.5%	4.6%
Ear/nose/throat	3.1%	1.3%	4.3%	5.7%
All remaining	13.8%	13.2%	16.0%	11.8%

Appendix 4 -
Managing Attendance Policy Steps / Actions

	Management Actions	Key Considerations
Step 1 – Notifying Absence	• Absence to be reported on the first day of absence - before 10:00 a.m. (or by the time the employee is due to commence work) • Employees must report absence directly to their manager. • Employees need to specify the length of time they expect to be absent or follow the reporting procedure on each day. • If the absence continues for more than seven days then a "Fit Note" is required from the employee's GP.	Managers must ensure employees are familiar with the absence reporting procedure and it is followed correctly. Enforcement of the reporting procedure underlines the importance of attendance and ensures communication between manager and employee. Explore options that would enable the employee to return to work, not simply accept the duration on the "Fit Note".
Step 2 – Return to Work Interviews (RTW's)	On return to work the manager must arrange to meet with the employee within two days to discuss the following: • The reason for absence. • Any emerging patterns of absence. • Consider whether an AMR is required. • Update the employee on work issues. • If any issues or health concerns are identified that may impact upon future attendance the manager needs to consider any support mechanisms that might assist. Occupational Health Referral etc. • Address any failure to report including potential for disciplinary action.	Rigorous in making sure return to works happen and are not viewed as a paper exercise. Action taken here can reduce future periods of absence. Failure or delays in conducting RTW's does not send a strong message regarding the importance of attendance. Forms must be returned to the ELC so that SAP can be updated.
Step 3 – Consider Triggers	Triggers in absence that would result in an Attendance Management Review: • 5 days or 3 occurrences of absence in a 3 month period. • In addition, a supervisor/manager	Managers also need to address absence that occurs frequently without hitting the triggers due to lack of a discernable pattern. The overall picture of absence

	may decide to examine an employee's absence record where there is a specific cause for concern	must be considered (An employee could have up to 16 days absence a year without hitting the first trigger outlined).
Step 4 - Attendance Monitoring Reviews (AMR's)	An AMR's should be conducted as soon as possible if triggers are hit or in response to Long Term Absence (anything over 20 Days). The purpose of an AMR is to:- • Review previous attendance record and determine whether any action is required; • Explain the impact of absence on service delivery; • Explore the reasons for absence; • Seek to identify any underlying cause; • Discuss and agree any support mechanisms; • Consider any reasonable adjustments. Possible outcomes of an AMR:- • Review/monitoring period established; • Support mechanisms established; and/or • Reasonable adjustments agreed; and/or • Referral to the Occupational Health Unit • Identify improvement needed and issue an Improvement Notice if appropriate (Step 5); • Where an Improvement Notice has been previously issued identification of improvement needed and Attendance Management Warning issued when appropriate (See Step 6); • Where an Attendance Management Warning has been previously issued identification of improvement needed and a Final Attendance Management Warning issued when appropriate (See Step 7); • Where a Final Attendance	Where absence is related to disability and covered by the Equality Act 2010, Improvement Notice or Attendance Management Warnings **are not** issued. Manager needs to explore the reasons for absence fully, seek OHU support, implement any reasonable adjustment or mechanisms that would reduce the likelihood or duration of absence. Managers' main focus is actions or interventions which assist the employees return at the earliest opportunity.

	Management Warning has been previously issued potential referral to an Attendance Management Heating (See Step 8); • Take no further action (only in exceptional cases should no action be taken).	
Step 5 – Improvement Notice	An Improvement Notice will be issued in conjunction with a target for improvement. This target may be staged over a specific duration and will result in full attendance.	Targets should be reasonable and appropriate to the circumstances. Where the absence is related to Disability an Improvement Notice **is not** issued.
Step 6 - Attendance Management Warning	An Attendance Management Warning will be issued in conjunction with a target for improvement. This target may be staged over a specific duration and will result in full attendance.	Targets should be reasonable and appropriate to the circumstances. Where absence is related to Disability a warning **should not** be issued.
Step 7 – Final Attendance Management Warning	A final Attendance Management Warning will be issued in conjunction with a target for improvement. This target may be staged over a specific duration and will result in full attendance.	Targets should be reasonable and appropriate to the circumstances. Where the absence is related to Disability a final warning **should not** be issued.
Step 8 - Attendance Management Hearing	If all steps (5 – 7) have been taken then the matter may be referred to an Attendance Management Hearing which could result in dismissal with notice. In cases of Long Term Absence if despite best efforts including reasonable adjustments, OHU support and consideration of alternative duties it becomes clear that there is no likely, or sustainable return to work expected then the case may be referred to an Attendance Management Hearing which may result in dismissal.	Consideration given to Ill Health Early Retirement prior to any hearing. Dismissal would be for failure to fulfil contractual obligations. At the hearing the manager must demonstrate that they have followed the procedure and attempted at each stage to support the employee to achieve acceptable attendance.
Other Considerations		
Record Keeping	It is vital that managers keep a complete record of all communications and actions taken at each step.	All sickness absence and actions taken in line with the agreed procedure must be

	Letters confirming details of AMR's must be sent to the employee immediately after the meeting confirming what was discussed, agreed actions and potential consequences should agreed improvements not be met.	recorded on SAP. All return to work interviews should be submitted the Employee Lifecycle Team.
Disability Related Special Leave	Disability Related Special Leave is for medical appointments associated with treatment and rehabilitation for a condition covered by the Equality Act. It would usually be granted in advance for an appointment that will result in a short period of absence from work to attend. Manager must record all instances and pass details to ELT.	Managers must record Disability Related Special Leave and inform the Employee Lifecycle Team and take great care when agreeing Disability Related Special Leave. Absence for treatment which results in an employee being unfit to attend work is sickness absence.
Terminal illness cases	Terminal Illness cases require sensitive and careful management. The usual MOA policy does not always suit the needs of the employee and organisation in dealing with such difficult circumstances.	Terminal illness does not necessarily mean that an employee is incapable of work or indeed would choose not to return. Clear communication and discussion of options is vital.

Appendix 5 - Occupational Health Provision

The decision to outsource the Occupational Health (OH) service

The Occupational Health (OH) service was outsourced from 1st March 2012. The clinical staff transferred to the new provider (Healthwork), who has been providing all OH services from their own premises in the City Centre (Byrom St) since this date.

Benefits expected from the external contract are:

- Long term (4 year contract with option to extend) affordability.
- Tighter standards in the contract and quicker timescales (e.g. appointments within 5 days of referral, reports provider to manager within 3 days of appointment).
- Specialist OH organisation delivering the service at their own offices, sets the tone for the referral. Provider focused on delivering outcomes for their clients against clear standards and targets.
- More efficient referral process via a secure dedicated web based portal which has been customised for City Council needs. All information available directly to managers on their own dashboard on the Portal.
- Better reporting and management information available e.g. performance data / diagnostic information.

Performance Measures

There is a monthly contract management meeting between Healthwork and the City Council where management information and performance is reviewed. Performance measures are reviewed in the following categories:

- Operating data – e.g. time taken to schedule appointments / produce reports, review rate, time taken to close cases.
- Diagnostic information – e.g. referrals by work area, by medical diagnosis, by management reason for referral. Identification of trends / hotspots.
- Cost monitoring info – spend by directorate, transaction type, and missed appointments. Comparison with predicted / historical spend
- Qualitative monitoring – e.g. random sample auditing of reports re quality of advice (i.e. effectiveness to assist manager to achieve resolution). Feedback from key stakeholders.

Performance to date

The contract has been in operation less than 3 months so these are early indications only:

- The Portal is the sole route for our managers to make OH referrals and the Portal is working well. Feedback is generally positive and most managers find it easy to use.
- The overall numbers of referrals are lower than they were previously with the in house unit.

- The OH spend is down on previous years when we had an in house unit, for example, savings were made by removing the need to budget for an in house admin team.
- The time driven performance targets in the contract are “on average” being met for Doctor (OHP), nurse (OHA) appointments and Physiotherapy.
- The level of missed appointments is lower than it was with the in house unit. To date in May there have been 7 missed appointments out of 142 appointments made with OHA & OHPs.
- Review rates - i.e. the frequency with which OHAs or OHPs recommend a review appointment as part of the outcome report they produce after an appointment - ran at 74% for April. This is not dissimilar to the levels we had with the in house unit.
- Counselling - for April, a third of all appointments that took place with Healthwork were for counselling which constitutes a big commitment to this type of treatment by the City Council.

Interventions based on performance so far:

1. Review rates - a protocol for review appointments is currently being agreed with Healthwork. The aim of the protocol is to ensure that clinicians consider more carefully whether a review is really beneficial and that they justify why a review is necessary and what additional information it will provide to the manager. This will then enable managers to better decide whether to approve the review appointment.

2. Quality of reports is being monitored and feedback discussed at the monthly contract management meeting. Two areas identified from the report audit were the importance of getting triage right and the need for advice to be conclusive, as often as possible, rather than relying on review appointments. Both these areas are included in the establishing of joint protocols with Healthwork.

3. Review of diagnostics has shown that the main reason managers refer employees is due to long term sickness. The main medical diagnosis for employees referred is Stress/anxiety/depression followed by back/musculoskeletal conditions. Further development on the portal is due to take place which will allow us to download data off the portal then link it with SAP and so make analysis much more powerful (for example in identifying teams with high incidents of stress related absence or bad backs).