

**Manchester City Council
Report for Resolution**

Report to: Resources Scrutiny Committee: Human Resources Sub Group –
23 March 2017

Subject: Attendance Management Update

Report of: Lynne Ridsdale, Director of HROD

Purpose of the report

Following on from the HR Sub Group meeting on 2 March 2016, this report provides the Group with an update on sickness absence levels across the Council and ongoing and developing activity to prevent and manage sickness absence both corporately and within Directorates. Specific information in relation to a number of areas of inquiry identified at the March 2016 meeting are also included.

Recommendation

The Sub Group is asked to note the report.

Wards Affected: All

Contact Officers:

Name: Lynne Ridsdale
Position: Director of HR
Telephone: 0161 600 8380
e-mail: l.ridsdale@manchester.gov.uk

Name: Pat Fetherstone
Position: Head of HROD Service Delivery
Telephone: 0161 234 1847
e-mail: p.fetherstone@manchester.gov.uk

Name: Sam McVaigh
Position: Strategic Workforce Planning Lead
Telephone: 0161 234 3976
e-mail: s.mcvaigh@manchester.gov.uk

Name: Amy Powe
Position: HR Specialist
Telephone: 0161 234 4496
e-mail: a.powe@manchester.gov.uk

Background documents (available for public inspection):

- Human Resources Sub Group meeting of 17 March 2015 – *Attendance Monitoring report and minutes of the meeting.*
- Finance and Overview Scrutiny Committee HR Sub Group meeting of 4 December 2014 – *Attendance Monitoring report and minutes of the meeting;*
- Finance and Overview Scrutiny Committee HR Sub Group meeting of 31 March 2014 – *Attendance Monitoring report and minutes of the meeting;*
- Finance and Overview Scrutiny Committee HR Sub Group meeting of 26 September 2013 – *Attendance Monitoring report and minutes of the meeting;*

1.0 INTRODUCTION

- 1.1 This report provides an update on absence trends for the Council and its Directorates over the last twelve months. It also presents an overview of the policies and practice in place to improve attendance with a focus on recent and imminent developments.
- 1.2 Absence has reduced over the last 12 months. However, whilst this is a positive trend, levels continue to be above comparators and continuing to support attendance remains a priority both corporately and for Directorates. The organisation's approach in this area continues to be focused around two core strands: promoting employee health and wellbeing to encourage a positive culture of attendance and supporting managers to both effectively engage and support their teams day-to-day and manage cases of sickness absence when they occur. In both of these areas a number of new evidence based actions have been taken forward and are planned.
- 1.3 This report gives an overview of current corporate and directorate data on attendance and wellbeing and the most recent external benchmarking. It goes on to provide an update on both Directorate specific and corporate activity in this area.

2.0 ABSENCE TRENDS: KEY POINTS

- 2.1 At the point of the last report in, February 2016, the Council's absence levels had just started to indicate a downward trend. This trend continued through 2016 with absence levels reaching their lowest in two years in August 2016. In line with normal seasonal trends, absence increased in October 2016 with this increase plateauing through November and December, levels however remain below annual comparators.
- 2.2 Key points to note from the absence data:
 - There were an average of 11.91 days lost per FTE in 2016, this is lower than 2015 (13.17) and 2014 (12.03)
 - Long term absence continues to be the dominating factor impacting the overall absence trend, accounting for 67% of all absence in 2016 and

equating to 7.94 days lost per FTE. Short term and medium term absences tend to be more seasonally affected.

- Mental health reasons continue to be the main causes of absence with stress, anxiety or depression accounting for 25% of all days lost in 2016. Other common reasons include operations (5%), back strain/ trouble (5%) and bereavement (4%).
- The percentage of staff with no recorded absence in 2015/16 was 42%, this is higher than 2014/15 (39%) and 2013/14 (41%).
- The area showing the biggest change in trend since the last report is Children's Services. There were an average of 12.59 days lost in 2016 compared to 17.84 days lost in 2015.
- The area with the highest absence in 2016 was Adult Services. In 2016 there was an average of 16.00 days lost per FTE. This is, however a reduction on 2015 where there were an average of 17.71 days lost per FTE across the division.
- The absence trends for Chief Executives, Corporate Services and Growth and Neighbourhoods were affected by structural changes in August.

2.3 Despite the positive indications of reducing absence levels over the past year, sickness continues to pose a major challenge across the organisation with the 11.91 days lost per FTE over 2016 accounting for 5.4% of the workforce's total available time.

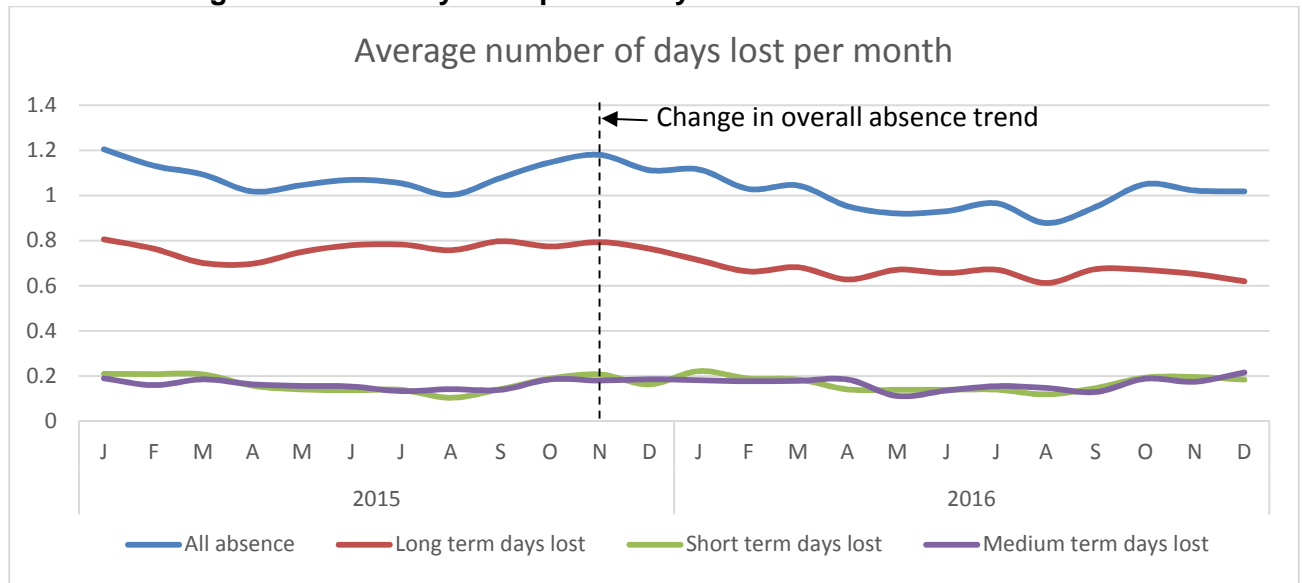
2.4 The remainder of this report provides more detail on absence levels and the continued and developing measures in place corporately and within directorates and services to reduce sickness levels and improve employee physical and mental wellbeing. The Council's approach continues to place a strong emphasis on the role of line managers in recognition that strong and proactive people management is one of the most effective ways to improve attendance levels.

3. CORPORATE ABSENCE: DETAILED UPDATE

3.1 Across the Council a total of 72,086 working days were lost due to absence in 2016. This equates to an average of 11.91 days per FTE over the 12 month period which is lower than in 2015 (13.17) and in 2014 (12.03).

3.2 Absence levels started to decrease in November 2015 with 1.18 days being lost per FTE in the month. This was down to 0.88 days per FTE in August 2016; the lowest it has been in any month over the last two years. This reduction has largely been driven by a reduction in days lost due to long term absences. The trend for short term and medium term absences remained largely unchanged and is much more seasonally affected. A chart is included in appendix A showing the year on year comparison.

Chart 1: Average number of days lost per FTE by month



- 3.3 Based on the organisation’s current average on-costed salary, sickness absence cost the council circa £5.9m in 2016 in lost productivity (compared to £6.7m in 2015)¹. The spend on agency resources to cover sickness, where required, over the past year of £733k represents an additional cost of absence to the Council. This cost is lower than the previous year when agency to cover sickness cost the Authority £933k.
- 3.4 In considering absence levels, it is important to note the seasonality of trends, with levels generally higher in winter due to the impact of short term infections. This has not been as prominent in the last two years and the peak in December 16 was its lowest for the past four years.
- 3.5 The percentage of days lost due to medium term absences peaked in December 2016. This suggests that, whilst long term absence remains the predominant contributor to overall absence levels, cases are ending sooner with less medium term absence escalating beyond 20 days. However, as this pattern only emerged in December it is difficult to interpret and predict the impact on the future overall absence trend. This will be monitored closely over the coming months.
- 3.6 In 2016 long term absence cases accounted for 66% of all absence in the Council, this is a slight reduction from 2015 when long term absences accounted for 70% of all absence in the year.

¹ The cost of lost productivity is calculated by multiplying the number of days lost by £81.28 which is the average median salary as per January 2017 plus on-costs divided by 365 days in a year.

Table 1: Absence by term

Term of Absence	2013	2014	2015	2016
21 days and above (LT)	68%	66%	70%	66%
6-20 days (MT)	15%	16%	15%	17%
1-5 days (ST)	16%	18%	15%	17%

- 3.7 Mental health reasons such as stress, anxiety and depression accounted for approximately 30% of all the absence in the last 12 months, this is in line with 2015 when mental health reasons accounted for 31% of all absence and 2014 when it was 29%.

Table 2: Top 5 reasons for absences

Reason	2015	Reason	2016
Stress	15%	Stress	14%
Depression/Reactive	6%	Anxiety	6%
Anxiety	6%	Operation	5%
Back Strain/Trouble	5%	Back Strain/Trouble	5%
Operation	4%	Depression/Reactive	5%

- 3.8 Absence recorded by managers as disability related accounted for 11% of absence in 2016.
- 3.9 Data from the Council's occupational health provider is broadly in-line with what would be expected given the above trends. From 26/11/15 to 25/11/16 there were 1,470 management referrals to the Occupational Health provider for medical advice. For 697 (47%) the management reason for the referral was prolonged sickness absence. 218 (15%) of referrals were for employees with a musculoskeletal disorders and 499 (34%) were for stress/depression/anxiety, 71 (5%) were for other mental health related conditions. (The Council's contract for occupational health has just completed a process of re-tendering and, following a tender exercise, a preferred bidder has been identified with a new contract due to be awarded shortly).
- 3.10 In 2014 a new measure was introduced which looks at the proportion of staff with no recorded sickness absence. The aim of this measure was to provide a positive measure of attendance as opposed to the more negative measures of absence and also to enable consistent benchmarking across organisations. This measure is calculated per financial year; in 2015/16 there were 42% of employees with no sickness absence, this was higher than in 2014/15 when it was 39% and slightly higher than in 2013/14 when it was 41%.

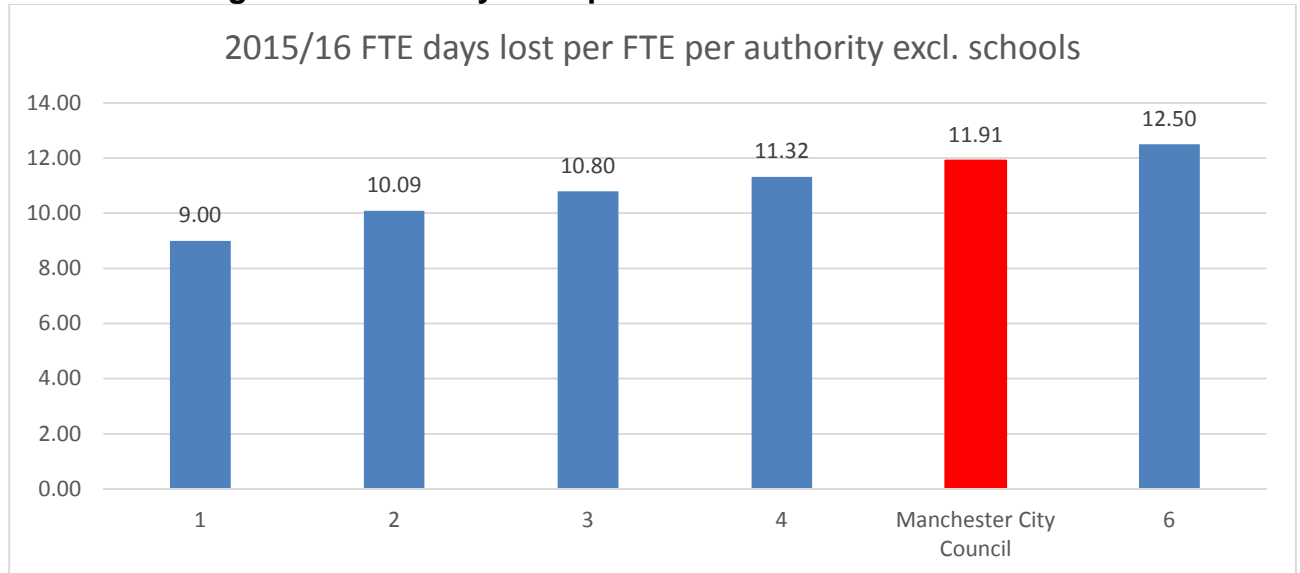
4.0 BENCHMARKING

4.1 Public Sector Benchmarking

- 4.1.1 The average absence measure for those AGMA authorities where data has been collected is 11.03 days. This places Manchester fifth out of the six authorities for whom figures are known. As highlighted in previous reports to this group, there are some concerns about the comparability of this measure.

This data should therefore be seen as indicative only. It is worth noting that recent AGMA and North West benchmarking continues to cite the challenge posed to local authorities by sickness absence and the general upward trend in this area.

Chart 2: Average number of days lost per FTE for 2015/16



4.1.2 Due to the comparability issues with the average number of days lost measure, Manchester has worked with the Core Cities to develop and agree an alternative benchmark which is more comparable. This looks at the percentage of employees who were employed at the start and end of a twelve month period who have not had any incidences of absence. The latest anonymised data places Manchester fourth out of the five reporting authorities.

Table 3: Percentage of employees with no incidences of absence October 2015 – September 2016

Core Cities	Q1 (July 15 - June 16)	Q2 (Oct 15 - Sept 16)	No. employees employed at Oct 15 and Sept 16
1	45%	46%	13,810
2	54%	50%	13,625
3	38%	42%	6,232
Manchester	42%	43%	6,515
5	49%	51%	4,627

4.2 CIPD 2016 Absence Management Survey

4.2.1 The CIPD (Chartered Institute of Personnel and Development) 2016 Absence Management Survey is based on responses from over 1,000 organisations across the UK from all sectors. It provides a comprehensive dataset on absence trends and provides some useful insights into this area. The key findings from this report include:

- Overall absence levels have seen a slight decrease.

- The average absence rate for private sector employees is 6.3 days compared to approximately 8.5 days per FTE in the public sector.
- There are also higher levels of absence in larger organisations regardless of sector. The average days lost for large organisations (organisations with over 5,000 employees) is 9.4. There is not a figure available for the average days lost for large public sector organisations although it seems reasonable to assume that this would be higher again.
- The report finds that manual workers have on average two more days absence per year. A review of the absence figures in 2016 for the Council shows that 36% of all absence was from staff in the job family Service Delivery People Care and Support. Comparatively this job family only accounts for 29% of the total workforce.

Table 4: Absence for MCC in 2016 by job family

Job Family	Proportion of total days lost	Proportion of workforce	Variance between proportion of absence and proportion of the workforce
Business Management	3%	5%	2%
Compliance and Regulation	5%	5%	0%
No job family	1%	2%	1%
Organisational Support	23%	26%	3%
Policy and Governance	2%	3%	1%
Service Delivery Catering and Facilities	10%	8%	-2%
Service Delivery People Care	36%	29%	-7%
Service Delivery Front Line and Customer Service	17%	16%	-1%
Senior	0%	2%	1%
Technical	3%	5%	1%
Total	100%	100%	0%

- The methods organisations feel are most effective in managing attendance are: referrals to occupational health and good return to work interviews for long term absence cases and the effective use of trigger mechanisms and return to work interviews for short term absences. More organisations now feel that giving line managers regular sickness information is an effective methods to improve attendance than in previous years.- The Council utilises all these methods.
- A quarter of organisations report that non-genuine absence is one of their top five causes of short term absence.- This is not something that has been raised as a concern within the Council.

- Stress continues to be the most common reason for long term absence and this is increasing in some sectors. Just over 60% of organisations have reported that they are taking steps to reduce workplace stress. The survey found that organisations that are attempting to reduce stress are doing this via staff surveys, offering more flexible working arrangements and stress audits.- This is in line the Council's approach.
- Survey findings suggest that organisations are better at supporting employees with mental health problems than actively promoting good mental health and wellbeing.- This is something that the Council is striving to balance.
- The biggest change to wellbeing strategies that organisations have made in the last 12 months involve changing their communications strategy to ensure that employees are connecting with messages on the wellbeing benefits available to them.- Whilst the Council has an annual plan for employee health and wellbeing messages this is an area that will be further strengthened in the coming months with increased corporate capacity focused on internal communications and engagement across our diverse workforce and the development of a new strategy for internal communications and engagement.

4.3 BHeard Survey

- 4.3.1 Evidence from the CIPD survey as well as the 2016 Xpert HR Tackling Absence Effectively survey indicate that employee engagement and absence are intrinsically linked. The 2017 BHeard survey gave the Council a score of 594.7. This puts the Council just outside the 'ones to watch' category, the lowest ranking category for the Survey (threshold of 600) and shows there is significant further work needed to create a fully engaged workforce.
- 4.3.2 The survey breaks engagement into 8 factors, one of which is employee wellbeing. The Council scored 4 on a scale of 1-7 for this factor which is the neutral point. This represents an improvement of 1% on the score from the 2016 survey and is 1% off the 'ones to watch' target benchmark.
- 4.3.3 The wellbeing factor in the survey is focused on how employees feel about their work/life balance and how they feel their work impacts on their health. For six out of the seven questions within this factor the Council scored between 3.9 and 4.5 which is fairly neutral and in line with how the average Ones to Watch companies score. The question that the Council scored particularly lowly on was 'most days I feel exhausted when I come home from work' for which the score was 3.04. Again, this should be considered in comparison with the average of the Ones to Watch companies, which is the Council's current targeted benchmark, for which the score was 3.03.
- 4.3.3 The free text comments provided by staff are currently being analysed to identify any suggesting specific health and wellbeing related activity. One employee, for example, requested a yoga class at Etrop Court as something which would make the Council a better workplace for them. - Conversations

with the Forum Leisure Centre are currently underway to see if they would be able to facilitate this.

- 4.3.4 A Best Practice review is currently being conducted to gather case studies of good practice from the Survey's 8 factors that can then be shared across the Council, targeting services that have not scored as well and services that provide a similar function.

5. DIRECTORATE ABSENCE: DETAILED UPDATE

- 5.1 The information in this section provides more detail on the specific absence trends seen across the Council's four Directorates.

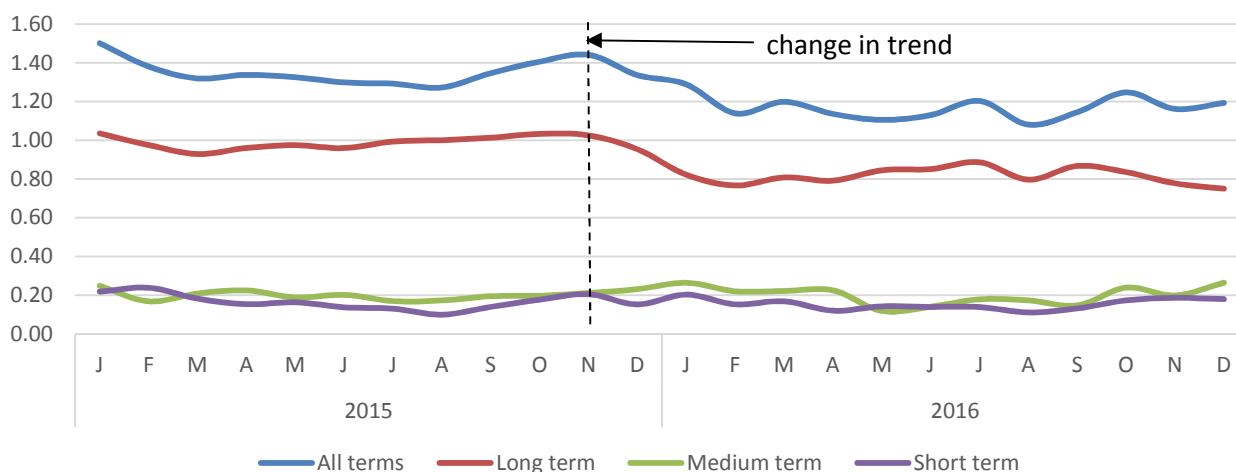
- 5.2 Over recent years the volume and quality of analysis available to support senior managers in understanding absence issues and identifying patterns and hot spots has increased significantly. This analysis includes the provision of monthly information on the 'best' and 'worst' levels of absence by service within each Directorate and quarterly analysis of service level absence rates and reasons. This analytical information is supported by reports on staff absence levels available to all managers via *mi people* Self Service and detailed reporting on the progress of formal Management of Attendance cases. HR has supported numerous services who have been interested in getting more detailed data to understand their absence trends over the last 12 months.

5.3 Children & Families

- 5.3.1 The Children & Families Directorate is the largest directorate within the Council and makes up 45% of the total workforce. The directorate has also consistently had the most significant rates of absence across the organisation over recent years, contributing 52% to the total days lost across the Council during 2016, with a total of 37,235 working days lost due to absence. This equates to an average of 14.07 days per FTE over the 12 months. Although high, this is noticeably lower than in 2015 when an average of 16.30 days were lost per FTE and 2014 when this measure was 14.74 days.

Chart 3: Average number of days lost per FTE by month: Children & Families

Average number of days lost per FTE in a month by term



5.3.2 Based on the organisation’s current average on-costed salary sickness absence cost the Directorate circa. £3m in 2016 in lost productivity. Spend on agency resources to cover sickness over the past year of circa £580k represents an additional cost of absence to the Directorate and is the highest across the Council.

5.3.3 In 2016, 70% of absence was due to incidences of long term absence. This is a decrease on the result from 2015 (72%). There has been an increase in medium term absences across the Directorate which reflects the general trend across the Council.

Table 5: Absence by term in Children & Families

Absence term	2013	2014	2015	2016
21 days and above	71%	70%	72%	70%
6-20 days	15%	15%	15%	17%
1-5 days	14%	15%	12%	13%

5.3.4 Consistent with the other Directorates, stress is the predominant reason for absence.

Table 6: Top 3 reasons for absences in Children & Families

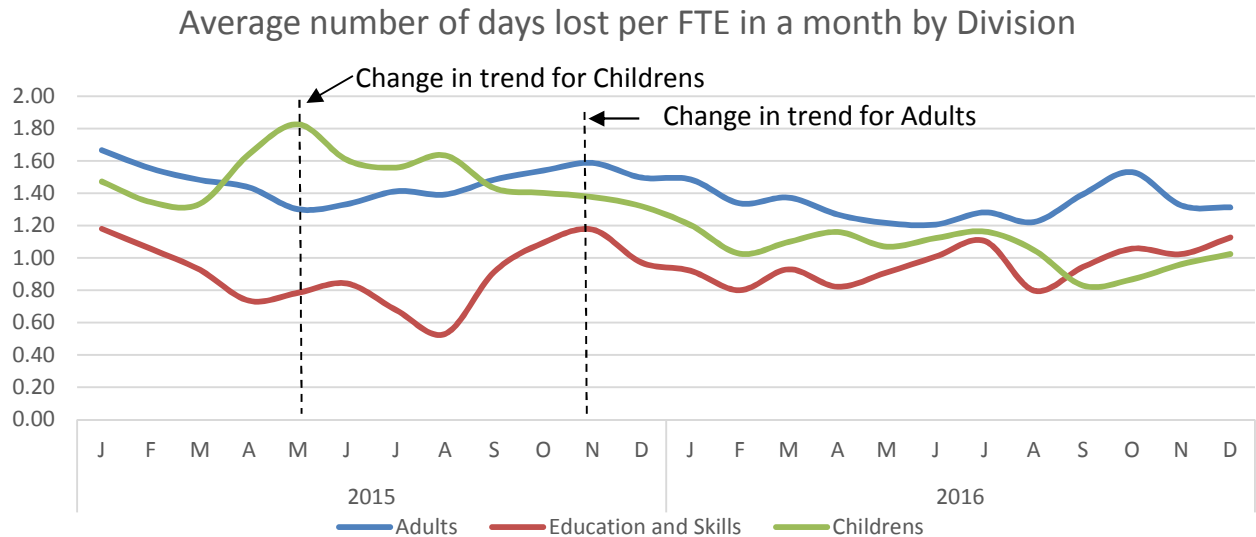
Reason	2015	Reason	2016
Stress	18%	Stress	15%
Anxiety	6%	Anxiety	6%
Back Strain/Trouble	6%	Bereavement Reaction	6%

5.3.5 During 2015/16 40% of the Directorate’s staff had no recorded sickness absence. This rate sits between the other two Directorates.

5.3.6 The variance between absence in Children’s Services, Adults Services and Education and Skills has become much more pronounced over the past 12 months, largely owing to the more notable reduction in sickness absence levels within Children’s Services. Adults’ services have consistently had the highest rates of absence of the three areas since October 2015.

5.3.7 The average number of days lost for Adults in 2016 was 16.00 compared to 17.71 in 2015, for Children’s this measure was 12.59 compared to 17.84 in 2015. Absence levels in Education and Skills increased in 2016 to 11.47 days per FTE compared to 10.93 in 2015.

Chart 4: Average number of days lost per FTE by month by division



5.3.8 Services showing lower levels of absence comparative to the directorate average include:

- Strategic Commissioning (Adults) lost an average of 5.80 days per FTE in 2016, this is a reduction from 2015 when 8.96 days were lost per FTE and is half of the Council average.
- Safeguarding (Children’s) lost an average of 7.35 days per FTE in 2016, this is a reduction from 2015 when 12.37 days were lost per FTE and is lower than the Council average.
- Safeguarding and Locality Social Work teams (Children’s) lost an average of 12.17 days per FTE in 2016. Data for this service only goes back to April 2015 due to structural changes so a full year on year comparison is not possible but there has been a definite reduction. In with the 9 months of 2015 from April to December there were 11.89 days lost per FTE compared to the 12.17 over 12 months in 2016.

5.3.9 Services within the directorate with higher than average absence levels include:

- The Business Support Service lost an average of 17.27 days per FTE in 2016. (This service sits within Adults’ Services structurally, however it provides Business Support for the full Children and Families Directorate.) The service increased its absence levels in August, September and absence peaked in October with an average of 2.17 days lost per FTE due to absence in the month. Absence then started reducing in November and continued to reduce in December down to 1.32 days per FTE.
- The Community Provision service and Independent Living Service (Adults) have also had high absence levels throughout 2016 with 17.61 days lost

within Community Provision and 18.05 lost within the Independent Living Service per FTE.

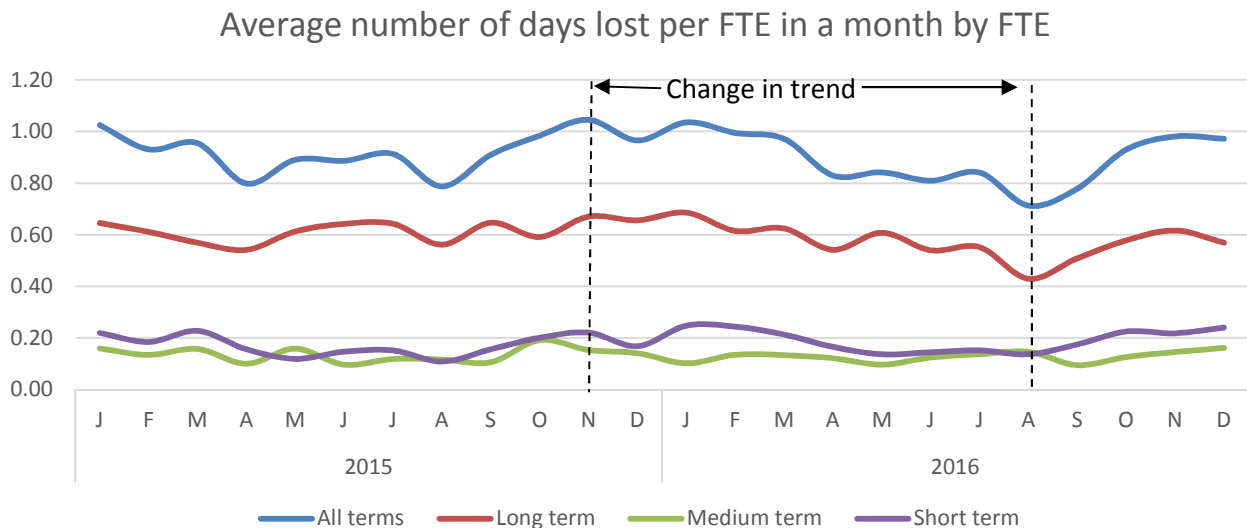
- In Children’s Service, the Fostering and Adoption service has had higher levels of absence since May 2016 whilst the general trend across most services within Children’s Services has been a reduction in absence levels.
- In Education and Skills the service with the most consistently high absence rate is the Schools QA and Early Years’ service.

5.3.10 Monthly service level absence information is included in appendix B.

5.4 Corporate Core

5.4.1 The Corporate Core lost 22,078 days due to absence in 2016. This equates to an average of 10.73 days per FTE over the 12 months which is lower than in 2015 when 11.14 days were lost per FTE. Although overall absence has reduced the absence trend changed in August 2016 with an increase from 0.71 average days lost in August to 0.78 days in September and 0.93 in October. This increased trend continued throughout the remainder of 2016 with an average of 2.88 days per FTE lost in quarter 3 of 2016/17 compared to 2.41 in quarter 2 2016/17, 2.48 in quarter 1 2016/17. This shift coincided with the structural changes which included the formation of the Highways service and the movement of Capital Programmes into Corporate Services. Business Units was also broken up slightly earlier in the year, some units were moved into Chief Executives whilst the majority moved into Growth and Neighbourhoods. However, this change cannot solely be attributed to these movements with increases seen across a number of Core functions.

Chart 5: Average number of days lost per FTE by month: Corporate Core



5.4.2 Based on the organisation’s current average on-costed salary, sickness absence cost the Directorate over £1.8m in 2016 in lost productivity. Spend on agency resources to cover sickness, where needed, over the past year of circa £60k represents an additional cost of absence to the Directorate.

5.4.3 In 2016 64% of absence was due to incidences of long term absence. This is a decrease on the results from 2015 when long term absences accounted for 67% of all absences. Unlike elsewhere in the Council where medium term absences have increased, they have reduced in the Core.

Table 7: Absence by term in the Corporate Core

Absence term	2013	2014	2015	2016
21 days and above	63%	62%	67%	64%
6-20 days	16%	16%	15%	14%
1-5 days	21%	21%	19%	21%

5.4.4 Consistent with the other Directorates, stress is the predominant reason for absence. Absence due to stress has increased over the 12 months by 5%. However, any year-on-year comparison should be treated with caution given the change in make-up of the Directorate.

Table 8: Top 3 reasons for absences in the Corporate Core

Reason	2015	Reason	2016
Stress	9%	Stress	14%
Anxiety	6%	Anxiety	7%
Depression/Reactive	56%	Operation	5%

5.4.5 During 2015/16 a total of 40% of the Directorate's staff had no recorded sickness which equates to 991 staff, this compares to 40% in 2014/15 and 38% in 2013/14.

5.4.6 The Corporate Core is a diverse Directorate, with roles spanning all of the Council's job families. Absence levels vary significantly across services.

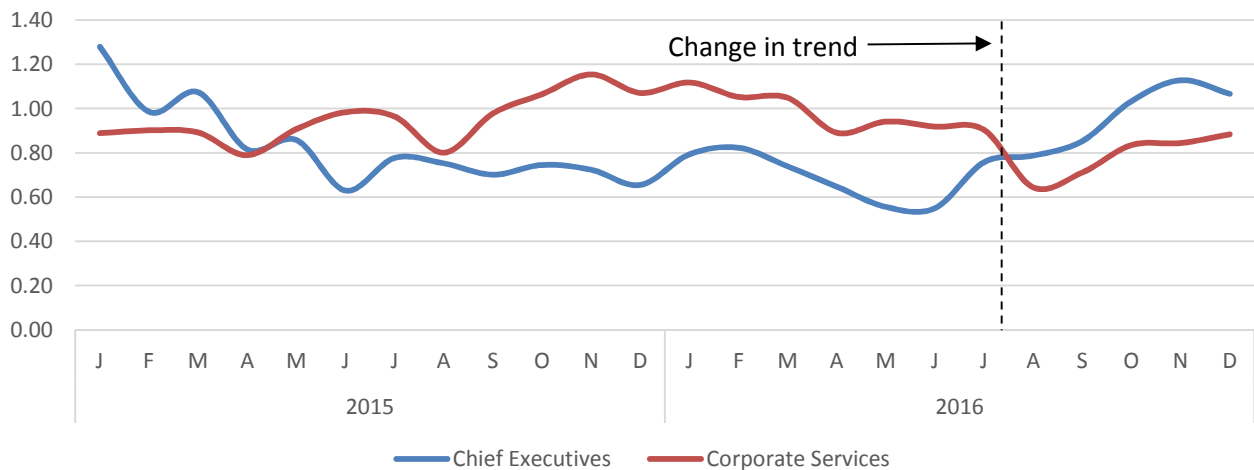
5.4.7 The impact of the service movement is more obvious when looking at the change in trend for the two divisions within the Corporate Core separately.

5.4.8 Capital Programmes moved into Corporate Services in August and subsequently had the highest levels of absence within the division from August to October with absence reaching 2.00 days lost per FTE in September. The Customer Service Centre within Corporate Services has also had high levels of absence historically; the service saw a change in trend in December although absence levels were still high at 1.28 days lost per FTE. This trend will be monitored to see if it continues into 2017.

5.4.9 Within Chief Executives absence was relatively steady up until June 2016 when levels started to rise. This was before the structural changes took effect in August and largely driven by increasing absence in the City Solicitors Division with additional intelligence and support being provided to help manage this. There has also been a significant increase in absence in Manchester Contracts which has impacted on the overall absence trend of the Highways service.

Chart 6: Average number of days lost per FTE by month by division

Average number of days lost per FTE in a month by division

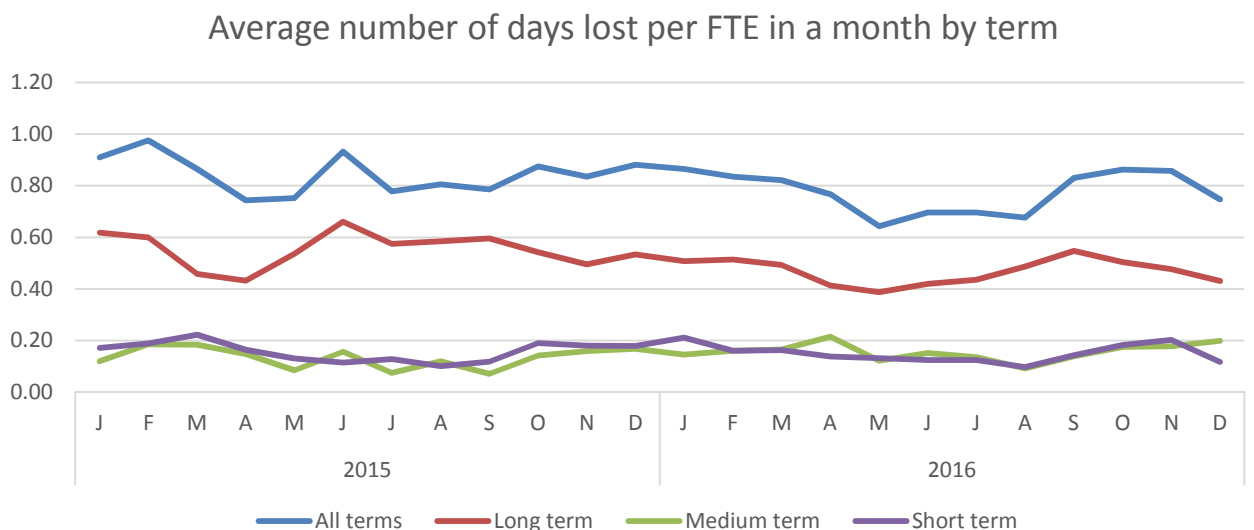


5.4.10 Monthly service level absence information is included in appendix C.

5.5 Growth & Neighbourhoods

5.5.1 In Growth & Neighbourhoods a total of 11,436 working days were lost due to absence in 2016. This equates to an average of 9.35 days per FTE. The structure changes agreed in the summer saw Strategic Development move from Growth & Neighbourhoods to form a standalone directorate in July and the majority of staff from within the Business Units service moved into Growth & Neighbourhoods in August.

Chart 7: Average number of days lost per FTE by month: Growth & Neighbourhoods



5.5.2 Based on the organisation’s current average on-costed salary sickness absence cost the Directorate circa. £930k in 2016 in lost productivity. The directorate has not had any agency costs related to sickness absence since November 2015.

5.5.3 In 2016 61% of absence was due to long term incidences. This is lower than in previous years. In common with the Children and Families Directorate, there has also been a rise in medium term absence in Growth & Neighbourhoods.

Table 9: Absence by term in Growth & Neighbourhoods

Absence term	2013	2014	2015	2016
21 days and above	70%	62%	65%	61%
6-20 days	15%	18%	16%	20%
1-5 days	15%	21%	19%	19%

5.5.4 Consistent with the other Directorates, stress is the predominant reason for absence. However, the past year has seen a reduction in this area.

Table 10: Top 3 reasons for absences in Growth & Neighbourhoods

Reason	2015	Reason	2016
Stress	15%	Stress	14%
Depression/Reactive	6%	Operation	7%
Anxiety	5%	Sick/III/Debility	5%

5.5.5 During 2015/16 a total of 51% of the Directorate's staff had no recorded sickness, this is much higher than in previous years with this measure 45% in 2014/15 and 47% in 2013/14. It is also much higher than the Council's average figure of 42%. This combined with the decrease in long term absence cases suggests that there may be more of an issue with multiple short and medium term absences within this directorate.

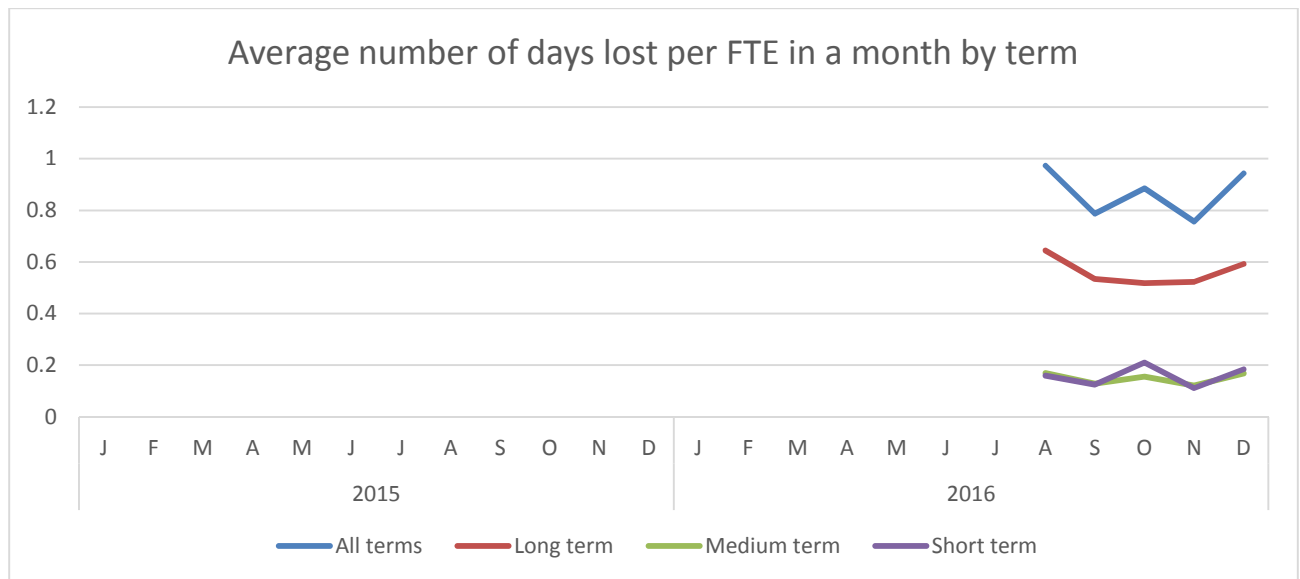
5.5.6 Absence levels across all services in the Directorate are generally lower than the Council average with the exception of the Catering service which moved into the directorate in August.

5.5.7 Monthly service level absence information is included in appendix D.

5.6 Strategic Development

5.6.1 Absence levels for the new Strategic Development directorate are available from August 2016. The directorate lost a total of 1,136 working days due to absence in the months from August to December. This equates to an average of 3.76 days per FTE; a 12 month projection using these figures would equate the absence rate to approximately 9.02 days per FTE.

Chart 8: Average number of days lost per FTE by month: Strategic Development



5.6.2 Based on the organisation’s current average on-costed salary sickness absence cost the Directorate circa. £92k in 2016 in lost productivity. The yearly projection for these costs is £221k. The directorate has not had any agency costs related to sickness absence.

5.6.3 Although, in common with the other Directorates, Stress is the predominant reason for absence other reasons enter the top three contributors which are less common elsewhere. This is due to the size of the directorate (301 FTE) which means individual instances of absence have a much greater impact on overall patterns.

5.6.4 During quarter 3 2016/17 a total of 74% of the Directorate’s staff had no recorded sickness.

5.6.5 The service that has the biggest impact on the overall absence trend for the directorate is Facilities Management which makes up 57% of the staff in the directorate. Absence levels within the service were consistently around 1.60 days per FTE in a month throughout October 2015 through to August 2016. However, levels started reducing in September 2016 with the result in December an average of 1.08 days per FTE in the month. The Operational Property service has seen its absence levels rise over the last three months however this is in a large part due to one long term incidence of absence as it is a service of around 36 FTE.

5.6.6 Monthly service level absence information is included in appendix E.

6. DIRECTORATE MEASURES TO IMPROVE ATTENDANCE LEVELS

6.1 A range of activities are underway across the Council’s four Directorates to respond to attendance issues in general and the most significant areas of concern in particular. More detail on this activity is set out below.

6.2 Children & Families

- 6.2.1 In response to the high levels of absence within the Children and Families Directorate, an enhanced approach to absence management has been implemented to ensure that there is robust management oversight and activity to reduce absence levels.
- 6.2.2 The approach is underpinned by a set of principles:
- Managers are responsible for managing absence, supported by HROD and Legal
 - A need to take a less risk-averse approach; being more proactive in managing cases; shortening timescales for dealing with each case; more early intervention.
 - The Directorate's senior team, understanding where poor attendance is attributable to poor management and addressing this directly.
 - Focusing on the reduction of long term existing absence, but at the same time reducing the rate at which medium term absence emerges through to long term with earlier intervention to prevent this.
 - Recognition of the impact of absence on the morale of the majority of the workforce with good levels of attendance and acknowledging this.
 - Absence levels and strategies to manage them scrutinised by Senior Management via Senior Management Team meetings and Performance Boards.
- 6.2.3 A suite of reporting tools over and above the monthly HR dashboard and bi-annual in-depth absence report have been developed to support a more robust focus on absence. There is now greater visibility, accountability, and overall the management of absence has been strengthened.
- 6.2.4 Absence management is a standing item on the agenda at Children's & Educations management teams. It is also a standing item on the agenda at the Adults monthly Performance Board, which is chaired by the Strategic Director. Visibility at such a senior level is important in terms of the challenge/acknowledgement to managers on how they are performing to ensure absence is managed effectively within their services In addition; Strategic Directors brief Executive Members on absence on a monthly basis.
- 6.2.5 Whilst different areas of the Directorate scrutinise absence in different ways, overall, there are arrangements in place across Children's, Adults and Education at both senior level and Line manager level to pro-actively manage absence
- 6.2.6 This enhanced approach has already led to a variety of targeted work, with a range of activities now taking place across services to reduce spend on absence and agency cover, support people back into the workplace and prevent future absence. Some examples of specific activities to manage absences are set out are provided below.

6.2.7 Children's Services

- The Strategic Director of Children's Services has tasked service managers with holding management reviews within their area which are currently undertaken on a fortnightly and monthly basis to actively reduce absence with these sessions supported by HROD. Overall themes and trends will then be brought back to the Strategic Lead for discussion. A particular area of focus is long term absence which is retrospectively recorded. There have a significant number of incidents of this nature across the service which has resulted in fluctuating absence levels. Services receive support in ensuring they are aware of how to update their staffing structure as this can impact on the timeliness of recording the absence. Cases are now progressing in a timely manner and feedback from Heads of Service about the support being received from HROD is extremely positive.
- Fostering and Adoption has continued to have a high absence level throughout the year, this is currently at 1.6 days per FTE. This is as a result of long term sickness absences rather than short term. Residential services continue to be the main contributor to this as it was last year. There has been a service redesign which resulted in additional absences; however the new model is live and therefore there may be a slight decrease in the overall absence figures. This will be closely monitored and will be addressed with the service manager as issues arise.
- Safeguarding and Locality have significantly improved the absence figure within this service. They currently have an average of 0.8 days lost per FTE; however this was previously 0.98 days per FTE.
- Early Help have shown an improving picture, they were previously showing a 1.4 average days lost per FTE, but are now showing a 0.75 average days lost per FTE
- All the Strategic Lead's have oversight of whether cases are being managed effectively. Service Managers also have regular meetings with HROD to discuss individual cases of concern and any issues arising.

6.2.8 Adults Services

- Since April 2016, there has been a steady reduction in the percentage days lost per FTE across the division
- Adults continues to place a significant focus on reducing sickness absence and promoting employees Health and Wellbeing. Measures that have been put in place to support managers to reduce absence have been cascaded through Adults Management Team and embedded as part of the quality and performance framework.
- Performance targets for sickness absence have been set at 0.9 across the board and monitored through Performance Board. This figure was taken from services that have a sustained good attendance levels i.e. Commissioning and Public Health. There is also a dedicated slot to scrutinise the action plans developed by managers for the top 20 absence cases across the Directorate.
- Absence strategy meetings chaired by Heads of service for those areas where absence levels are particularly challenging are in place. Some have been established for over 12 months and these are beginning to yield results with proactive case management and a change in behaviour for

managers who feel more confident to deal with complex and challenging cases.

- Development of case monitoring files which tracks progress through the absence strategy meetings ensures there is continued focus on driving down poor attendance, whilst at the same time promoting the benefits of wellbeing facilities to staff.
- The 3 main areas of the Adults Directorate where managing absence continues to be challenging are - Adult Social Care, Business Delivery and Business Support. All of these areas have absence strategy meetings in place. There is a joint collaboration with HR to develop solutions for tackling some of the complex issues facing these services.
- Whilst each area is making good progress on actions, the most significant improvements have been within Business Delivery (where absence strategy meetings have been in place for circa 12 months). There has been a marked increase in employees returning to work and improvement notices being issued. Targeted action plans are in place for every long term case, and separate plans to accommodate staff who have been placed on temporary restricted duties.

6.2.9 With the support of HROD and Legal Services a total of 15 individuals across the Directorate for Children and Families have been supported to exit the organisation due to attendance issues in 2015/2016 to date.

6.3 Corporate Core

6.3.1 Absence continues to be a priority for the Directorate and is a regular discussion item at Directorate Management Teams. The Directorate Management Teams review the quarterly dashboard and consider trends and areas of focus. In addition to the dashboard attendance monitoring data is included within monthly budget monitoring. Return to Work information is circulated to Heads of Service on a monthly basis highlighting areas of non-compliance. These tools enable greater visibility of issues and focused discussions in relation to health and wellbeing strategies and attendance management.

6.3.2 A number of measures are in place to manage absence including:

- Positive promotion of the health and wellbeing initiatives such as the running clubs and exercise classes
- Early referral to Occupational Health to ensure the relevant support is provided, such as access to Counselling
- Mentoring and Coaching support for line managers and independent experienced Officers to improve the management of attendance cases.
- Encouragement of early intervention and open discussions between manager and employee to proactively tackle issues early to stop them becoming long term problems.
- The directorate absence trend are being considered in line with the outcomes of the B-heard employee engagement survey to identify if there are any correlations between engagement and attendance in service areas.

- There are also corporate initiatives such as Wellbeing and Recognition events which have been promoted across the directorate.
- Absence continues to be managed and enhanced reporting is in place across the directorate to ensure a greater focus on robust management and the timely completion of return to work (RTW) forms. RTW reports are being produced on a monthly basis in order to highlight any areas of non compliance.

6.3.3 There is an increasing trend in relation to mental health related absence, this is a national trend and something that is not isolated to any specific areas in the directorate. Support for staff and managers to help prevent and support mental health related absence is being developed. Workshops for staff and managers to help prevent and support mental health related absence were commissioned and these sessions were piloted across the organisation during August/September 2016. A total of 71 managers and staff attended the 'Keeping Well at Work' workshops from across the Core from Capital Programmes (4), City Solicitors (5), Financial Management/PRI (18), Audit/Risk/Health & Safety (4), Highways (2), ICT (1), PPR (5), and Revenue & Benefits/SSC/Customer (32). Feedback was positive with all managers and staff who attending feeling they had a better understanding and confidence in the issues and how to respond to them.

6.3.4 With support of Human Resources and Organisational Development and Legal Services a total of nine individuals long term cases across the Directorate have been supported to exit the organisation due to attendance issues, these have been related to dismissal, resignation, medical capability and ill health retirement. There have also been circa. 65 individuals who have returned to work during this period.

6.3.5 Capital Programmes

During August 2016, Capital Programmes moved into the Core and were highlighted as a service area with high absence levels. As part of the Capital programmes improvement programme a greater level of support is being provided to managers around performance management with a strong focus on attendance compliance.

Monthly review meetings are set up with the Head of Services and management to review all the live cases across the service to review the absence levels, trends and discuss any strategies for resolution. This has resulted in a number of cases being concluded and outcomes achieved following attendance management hearings.

It should be noted that the b heard outcomes for the survey are the lowest across the directorate and the organisation, the response to which are being considered by the management team in partnership with the workforce supported by the HR Directorate Lead. This will include consideration of linkages between engagement and attendance.

6.3.6 Revenues & Benefits/Shared Service Centre & Customer Services

Within Revenues, Benefits, Shared Services and Customer Services regular review meetings take place with Head of Service, management teams and HR to review all the live cases across the service and discuss the overall absence levels, trends, hotspot areas and any strategies for resolution.

This focus will continue and learning shared across the unit and beyond. The unit management team owners meet on a quarterly basis to review.

The targeted focus on improving the attendance across Customer Service Organisation has been led by the Head of Revs and Bens, SSC and CSO in partnership with HR and managers via coaching approach and providing support with challenging issues. The impact of this whilst not necessarily reflected in the figures has been positive as not only are the managers discussing issues of poor attendance with staff they are also holding positive attendance management meetings with staff to highlight improved or sustained attendance.

6.4 Growth & Neighbourhoods and Strategic Development

6.3.1 Cases within the directorates are being actively managed with advice and support from the HR Service Delivery Team.

6.3.2 A number of measures are in place to manage absence including:

- The HR Directorate Lead receives regular reports on the number of return to work interviews conducted by managers. This information is shared with senior managers on those cases where a return to work has not been completed to enable them to take action within their teams.
- A dashboard containing various absence data is presented to management teams (including DMT) on a quarterly basis.
- A number of colleagues from the directorates (particularly Compliance and Community Safety) attended the Mental Health Awareness Training commissioned by HROD. Feedback was positive with many managers commenting that they better understood mental ill-health and felt more confident to support colleagues through such issues. The Health and Wellbeing steering group took a view that this course should be offered again with targeted reach out to services experiencing the highest level of absence. There was also a suggestion from MIND that the training needs to link more practically to day-to-day scenarios and our policies and approaches
- The workforce development group arranged for a number of learning lunches focused on managing absence and well-being to be offered to colleagues across the two directorates which were well attended and well received.
- The directorates are currently responding to the staff B-Heard survey results and considering the results relating to well-being. Contributory factors such as 'my manager' are being considered alongside the wellbeing factor.

- The HR service is supporting managers to challenge Occupational Health reports (where relevant) provided by Health Works where recommendations are not clear or helpful. A regular meeting is held with Health Works to examine key case studies and areas for improvement.

6.3.3 It is recognised that the most prevalent cause of absence across the Directorate, as it is across the organisation, is stress. Understanding the trigger factors for this is important; whether it is from the work place or other external factors. Over the coming months, the directorates will do further work to promote the Health and Wellbeing activities that are available to employees.

6.3.4 Manchester Fayre (Business Units - School Catering)

Catering Services within Business Units has traditionally been identified as a service area with high levels of absence. The Operations Manager has held 4 sessions over the past 18 months with Unit Managers who are identified as not being confident in applying the absence management procedure to go through cases and understand potential blockages.

The Operations Manager also presents a monthly report on any absence over 10 days and persistent short term sickness to the Head of Business Units to discuss update and progress.

Work has also been undertaken by HR in partnership with the management team to ensure managers have the tools and confidence to deal effectively with issues. This approach has included regular meetings between the management team and HR to discuss and share best practice.

Due to the volume of cases in the service, business support has been put in place to help Assistant Unit Managers and Area Managers to record, log and manage sickness cases.

6.3.5 FM Services

Managers in FM Services have worked hard to manage sickness absence resulting in an overall reduction as highlighted in this report. Work is being carried out in partnership with the HR Casework Team to review the top five absent cases each month to ensure that all processes have been followed. Also, in order to promote attendance, a health and wellbeing session is being planned for all Facilities Assistant (Level 1) to attend in the summer.

7. THE CORPORATE APPROACH TO IMPROVING ATTENDANCE LEVELS

7.1 Key to promoting attendance and reducing absence is the creation of a culture which promotes positive health and wellbeing and where people want to come into work. However, recognising that sickness absence will always occur this must operate alongside a strong policy and support framework for the management of sickness absence. This section provides an update on recent and imminent developments in both these areas at the corporate level.

7.2 Fundamental to the success of this dual approach is the importance of strong core people management. Managers play an integral role in improving an organisation's attendance levels by both creating a positive culture which promotes attendance and effectively managing absence in a consistent, but not necessarily uniform, manner when it occurs. A number of specific actions to support managers are set out across the two thematic areas.

7.3 Promoting Health and Wellbeing

7.3.1 In 2012 the organisation agreed an Employee Health and Wellbeing Strategy, a key aim of which was to reduce sickness absence through the improvement of overall employee wellbeing. Previous reports have included detail on the full range of work undertaken to support the Strategy. Over the past 12 months a number of further developments have been progressed in support of the Strategy's aims. Details of these recent developments are summarised below.

7.3.2 Keeping Well at Work: In response to the increase in mental health related absences in recent years, the Council commissioned a 3 module programme of mental health awareness training in the summer of 2016. The modules covered mental health awareness, mental health for managers and wellbeing at work with a total of 186 staff attending the courses. Feedback from these sessions was overwhelming positive and work is progressing to build the manager module into the organisation's new leadership and management programmes (see below) and to make the general module available to all staff from April of this year. Feedback from the initial modules emphasised the importance of tying the training to the reality of the organisation's support mechanisms and policy framework and this will be further emphasised in future courses.

7.3.3 Employee Assistance Programme (EAP): An EAP is a support service which provides 24/7 access for all employees and their dependants on a range of issues including debt, relationship problems, alcohol and substance abuse and bereavement. There is clear evidence from other organisations around the effectiveness of EAPs in supporting wellbeing and improving attendance. As part of the re-tendering process for Council's occupational health contract this year, bids were also invited for an EAP with a preferred bidder now identified and work underway to launch the new service in the coming 2 months. The service will be accessible via telephone and, in addition, staff will be entitled to up to six quick solution counselling sessions per calendar year (face-to-face, on-line or via telephone). The open access nature and flexibility of the EAP supports employees to take responsibility for their own health and wellbeing and will be fully confidential. The Council will, however, have access to performance metrics to understand how the service is being used.

7.3.4 Communication and Engagement: Weekly staff messages continue to be distributed to promote health and wellbeing. With the support of Public Health specialists these messages are linked to relevant local and national campaigns as well as to opportunities available to staff. To further promote the Council's wellbeing and recognition offer a series of market place style events

took place in February 2016 at three locations across the City. Approximately 500 employees attended the events which received overwhelmingly positive feedback. A follow up session was also arranged in partnership with the School's Catering service as part of the annual carousel training days, with 104 unit catering managers attending. Looking ahead, work is underway to review the current on-line support available to staff and managers through the Health and Wellbeing pages of the intranet.

7.3.5 Physical Wellbeing: A range of physical wellbeing employee led groups continue to operate with the employee running groups remaining the most popular. Many members of these groups participated in the Manchester 10K in April 2016. A current area of focus is on providing the necessary tools and advice to support employees with an interest in launching their own group and, in particular, to support activities in office locations outside of the City Centre. This year has also seen:

- The re-tendering of the Council's cycle to work bicycle hire scheme and work with Transport for Greater Manchester to promote National Cycle to Work day and to offer training sessions for staff on bike maintenance.
- Agreement of a gym discount scheme for employees with the Better Gyms, launched in April/May 2016 with over 80 employees now accessing this benefit
- A programme of health-checks provided to 140 staff across 6 locations across the City in March/April

7.3.6 Recognising Attendance: As with previous years all staff who achieved 100% attendance in the financial year 2015/16 received a letter from their Strategic Director to recognise this achievement. The quarterly cash prize draw of £250 and bi-annual prize draws of £500 to reward 100% attendance have also continued. To date there have been eight quarterly winners and four bi-annual winners of this scheme. The impact of the scheme is currently being reviewed and will help to inform future initiatives.

7.3.7 It is worth noting that the above summary by no-means reflects the totality of work underway across the Council to promote health and wellbeing. At a local level other activities such as a staff choir and staff golf group are also important aspects of the overall approach.

7.3.8 A Baseline Assessment of Employee Health and Wellbeing in member organisations was commissioned by the Manchester Health and Wellbeing Board in 2016. The Council has been actively participating in this work over recent months with a final evaluation report expected to be received in the next few weeks. This report will provide an important independent evaluation of the Council's work in this area and identify best practice across the City. Together with other evidence, such as the Beard survey results, the baseline assessment will be used to inform a review and updating of the Council's Health and Wellbeing Strategy. This will seek to both update the existing employee health and wellbeing strategy and also take account of the need to strengthen the organisation's position in relation to areas such as supporting staff with caring responsibilities and those dealing with bereavement, including through the Council's approach to Special Leave.

7.4 Supporting Managers

- 7.4.1 HR have introduced focused support in areas with high instances of absence to actively encourage the pro-active and effective progression of these cases to conclusion, including Attendance Management Hearings where appropriate. Meetings with senior managers have been introduced to ensure they are aware of case volumes and actively seek assurance that line managers are effectively managing absence within their teams.
- 7.4.2 Given the high absence levels the Children and Families Directorate has been an area of strong focus. Meetings have been taking place between HR and senior managers within Business Delivery (Adults) since February 2016 on a fortnightly basis to ensure effective case management strategies are in place for all cases. Similar arrangements have also recently been introduced for the Business Support function. In Children's Social Work, HR provide regular updates to the Heads of Service meeting on case volumes, overall progress and to flag instances that are not progressing and require senior management intervention.
- 7.4.3 Within the Corporate Core and Growth & Neighbourhoods and Strategic Development directorates, monthly intelligence meetings have been taking place since the beginning of 2016. These meetings review key cases and associated risks, as well as providing an opportunity to escalate cases that are not receiving sufficient management focus. HR has also recently introduced mechanisms to improve communication with the Occupational Health provider in relation to key cases that require additional support.
- 7.4.4 The increased focus has ensured more effective and timely progression of cases. Resulting dismissals associated with sickness absence has increased from 18 in the financial year 2015/16 to 43 within the current financial year. - The corresponding trend in disability related tribunal claims that whilst the number of dismissals has more than doubled the increased activity and focus on concluding absence cases has not resulted in any increased risk of litigation and cases have been concluded fairly and in line with policy expectations. This includes a more efficient process for considering Early Release of Pension Benefit and scrutiny that all other options have been considered before effecting dismissals.
- 7.4.5 Leadership and Management Development:** As noted above, the role of effective people management in both promoting wellbeing and managing attendance is key. Two new programmes of leadership and management development launched in late 2016 'Raising the Bar' and the 'Our Manchester Leadership Programme' All new people managers will now take part in these programmes which include modules covering:
- Strengthening your role as a Manchester Manager - which aligns the manager's role with the Our Manchester strategy and outlines what is expected from managers.
 - Strength Based Leadership and Management - where managers are given the opportunity to consider their own leadership style and the impact it can

have. The session focuses on building effective relationships with their team and introduces managers to the strengths based approach.

- Developing, motivating and empowering others - looking at the importance of developing staff and recognising the potential of the team.
- People Management – equipping managers with the relevant skills and knowledge to manage performance and absence and measure impact.
- Health and Safety – this will focus on the wellbeing of employees and the importance of understanding the significant risks that could harm our colleagues and customer.

These programmes will play an integral role in strengthening leadership and management across the Council over the coming years.

7.4.6 About You: Following a fundamental review of the Council’s appraisal process a new approach focused on more regular strengths-based conversations between managers and their staff will launch in April. This approach will give all staff and managers time to have regular, meaningful, strength based conversations on all themes relevant to work life, including, health, wellbeing and attendance. The new approach will be supported by a range of flexible tools to support both managers and their teams. One of the essential principals of About You is to provide a regular opportunity for managers and staff to discuss issues to avoid them escalating. The aim is that both managers and team members will have open, two way conversations allowing early action, preventing absence and promoting wellbeing.

7.4.7 Once launched, regular messages will be issued to highlight discussion topics for managers and staff to consider in the sessions. During the initial pilot (which involved over 400 staff) managers of managers were asked to talk about the new Management of Attendance Policy to ensure those managers who they supervised felt comfortable with their role in this. Managers reported that this promoted increased awareness and discussion on both the policy changes and absence management cases and the intention is that this will be a topic highlighted to managers for discussion again in the future.

7.4.8 Return to Work (RTW) Audit Following a request from this group, an audit was completed on the return to work process in November 2016 to provide assurance that the Council had adequate arrangements for ensuring compliance with recording, monitoring and management of absence. Overall the audit was able to provide moderate assurance over the adequacy of arrangements for ensuring compliance with recording, monitoring and management of sick absence. The audit confirmed that there was compliance with the return to work principles but that the RTW reviews and paperwork were sometimes carried out or completed late and there was a mixed level of compliance in relation to the AMR process. The audit also confirmed that the level of detail recorded in relation to management actions and support offered was limited and did not always reflect actions actually being taken. The audit report recommended a number of actions for the HROD Service which included:

- Production of a guidance note that could be considered for issue to all managers to remind them of the key information requirements and

assurance requirements when undertaking sickness absence management.

- Developing and launching a management tool kit to support managers in complying with the Managing Attendance policy. The toolkit should include guidance on timely completion of RTW's and requirement for AMR in all cases where triggers are hit.
- Managers should be reminded to carry out a quarterly review of sick absence figures held locally against those on SAP to confirm data is accurate.

An action plan has been agreed in response to the audit to take forward work in relation to these recommendations.

7.4.9 SAP improvement work: Following feedback from managers and a number of potential errors in data due to the inaccurate reporting of absence on SAP by managers work is now underway to improve the user interface within SAP for the recording of sickness absence. This work will include:

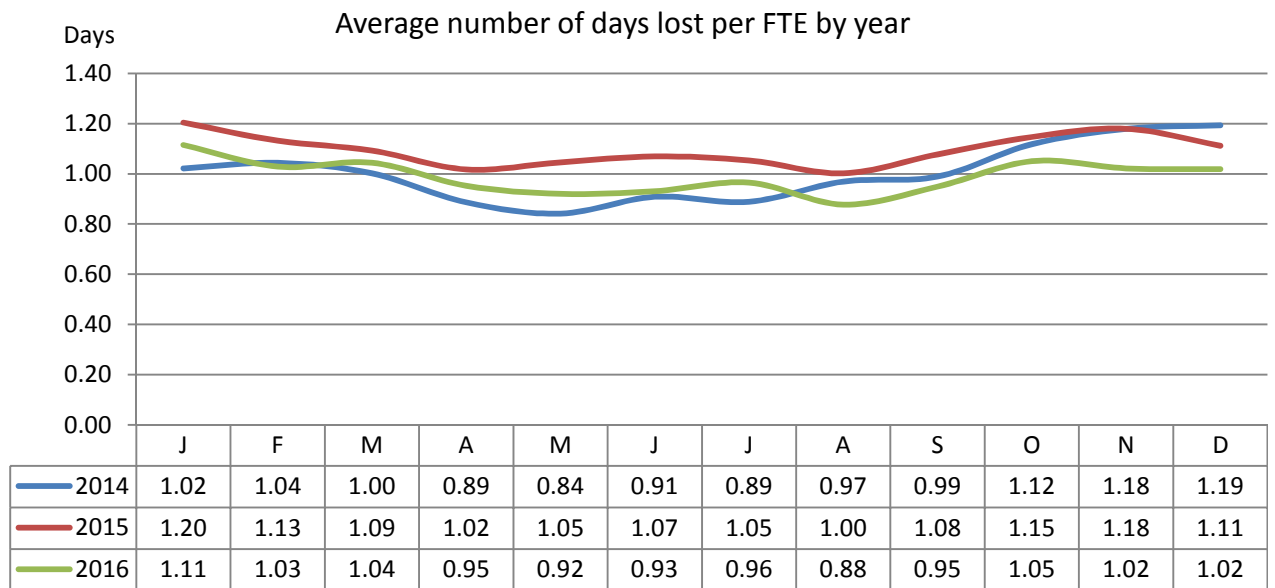
- Reducing the number of absence categories from circa. 300 to circa. 30 to support more effective recording and reporting on absence reasons
- Making the process for recording and editing instances of absence more user friendly.
- Incorporating the recording of information from the Return to Work (RTW) and Attendance Monitoring Review (AMR) process into the same system.

8. CONCLUSION

- 8.1 This report provides an overview of current attendance levels across the Council and its four Directorates and sets out how both corporately and across individual Directorates work is continuing to promote wellbeing and actively manage sickness absence levels.
- 8.2 Focus in this area will continue over the coming months to both strengthen the organisation's strategic approach and practical support for employee health and wellbeing and the support and guidance provided to managers to both effectively manage their teams and to manage instances of absence when they occur.
- 8.3 There has been a clear improvement in absence levels over the past 12 months and the hope is through the continuation of this focused work this downward trend will remain.

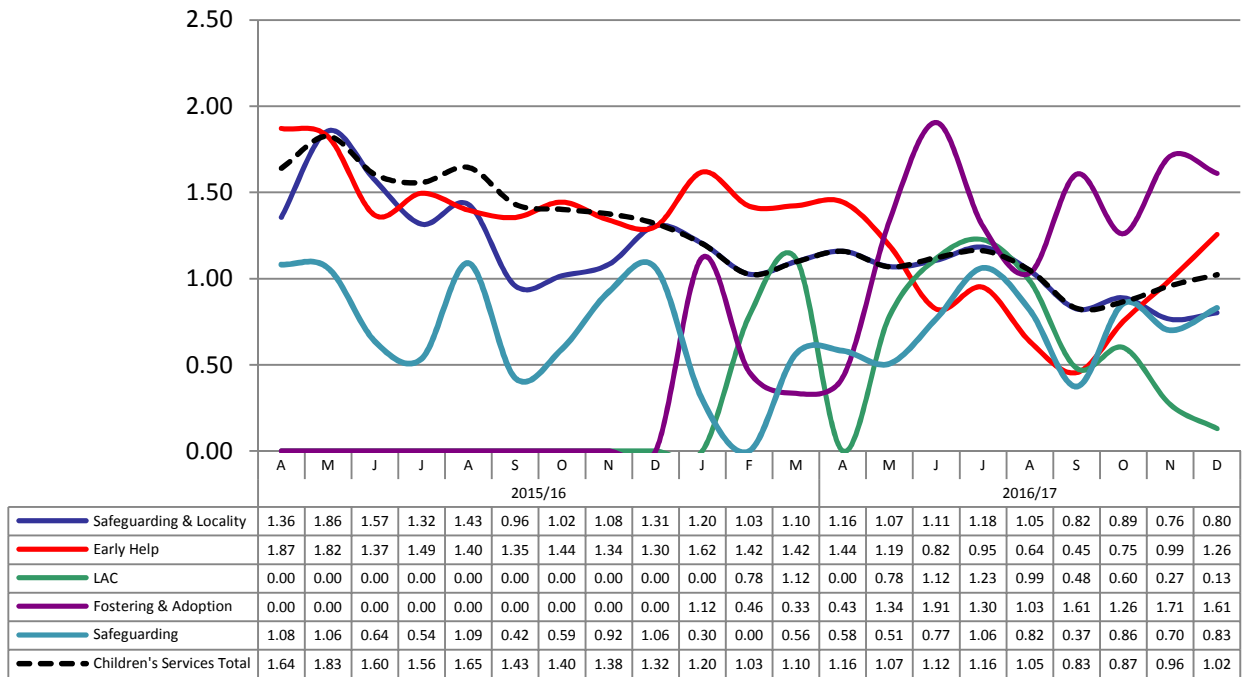
APPENDIX A:

Council absence trend: year on year

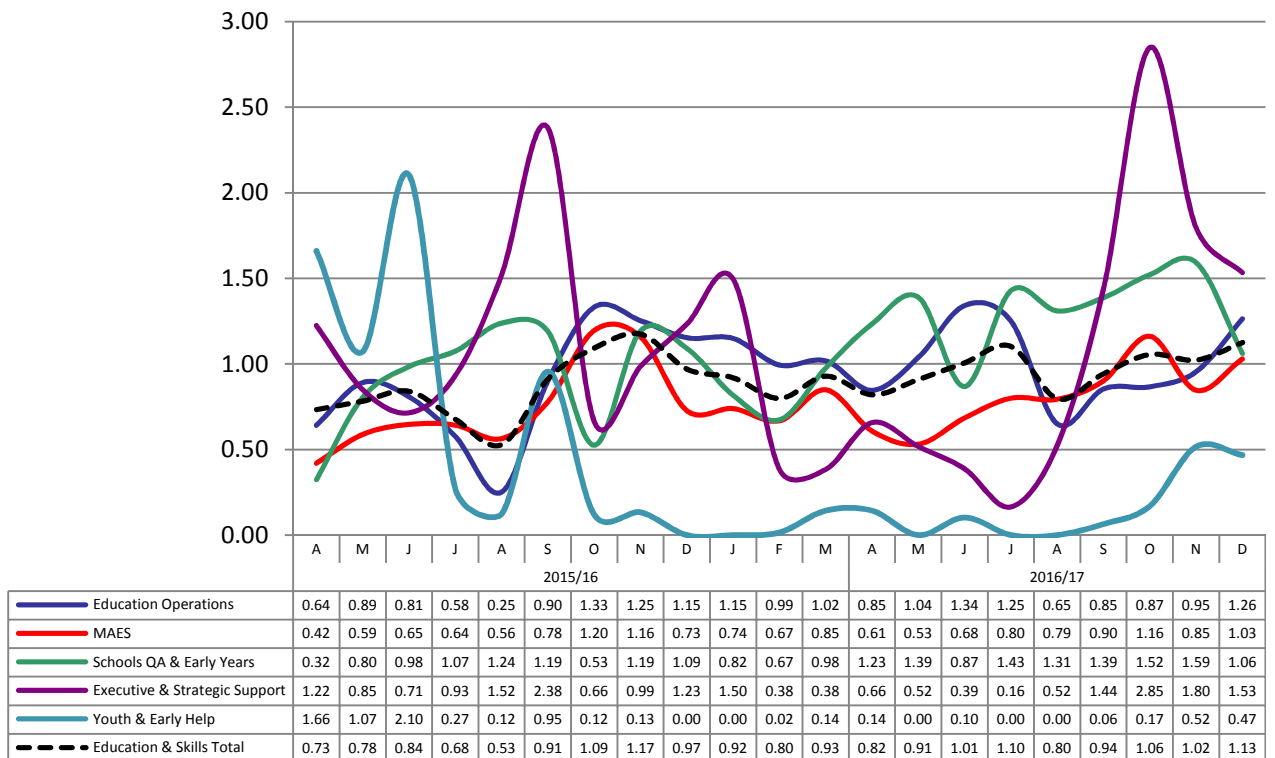


APPENDIX B: SERVICE LEVEL SICKNESS IN CHILDREN’S AND FAMILIES

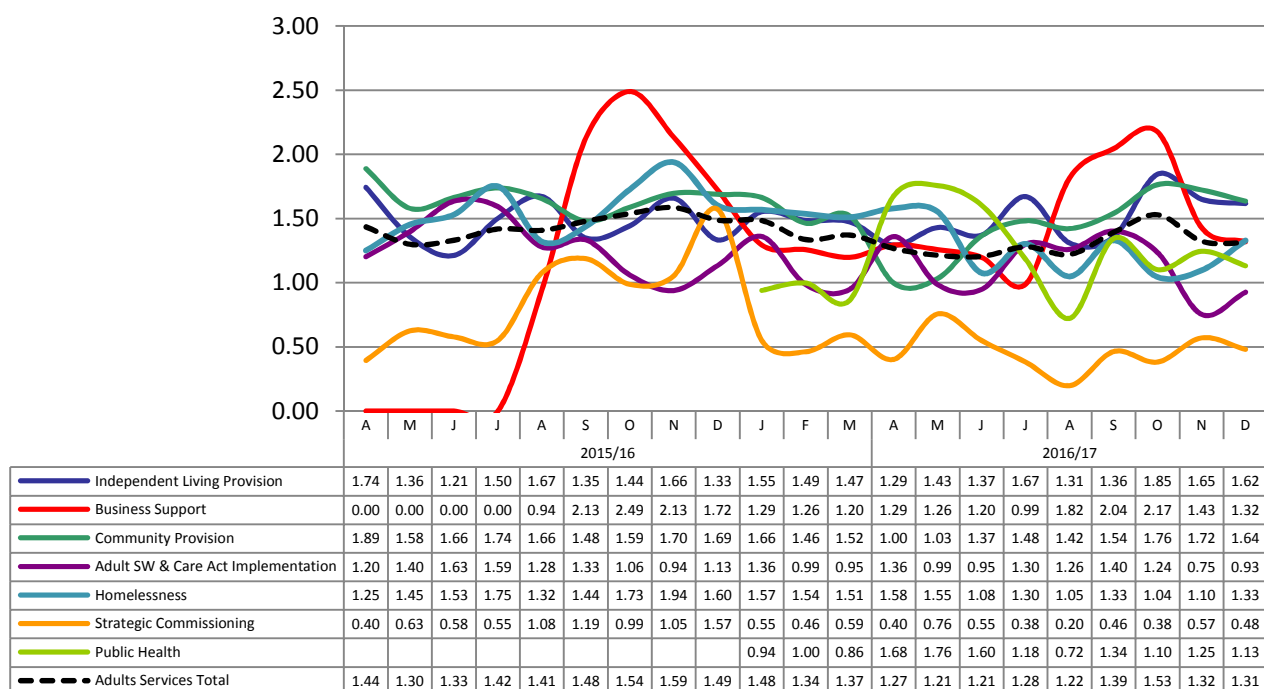
Average number of days lost per FTE by month: Children’s Services



Average number of days lost per FTE by month: Education and Skills

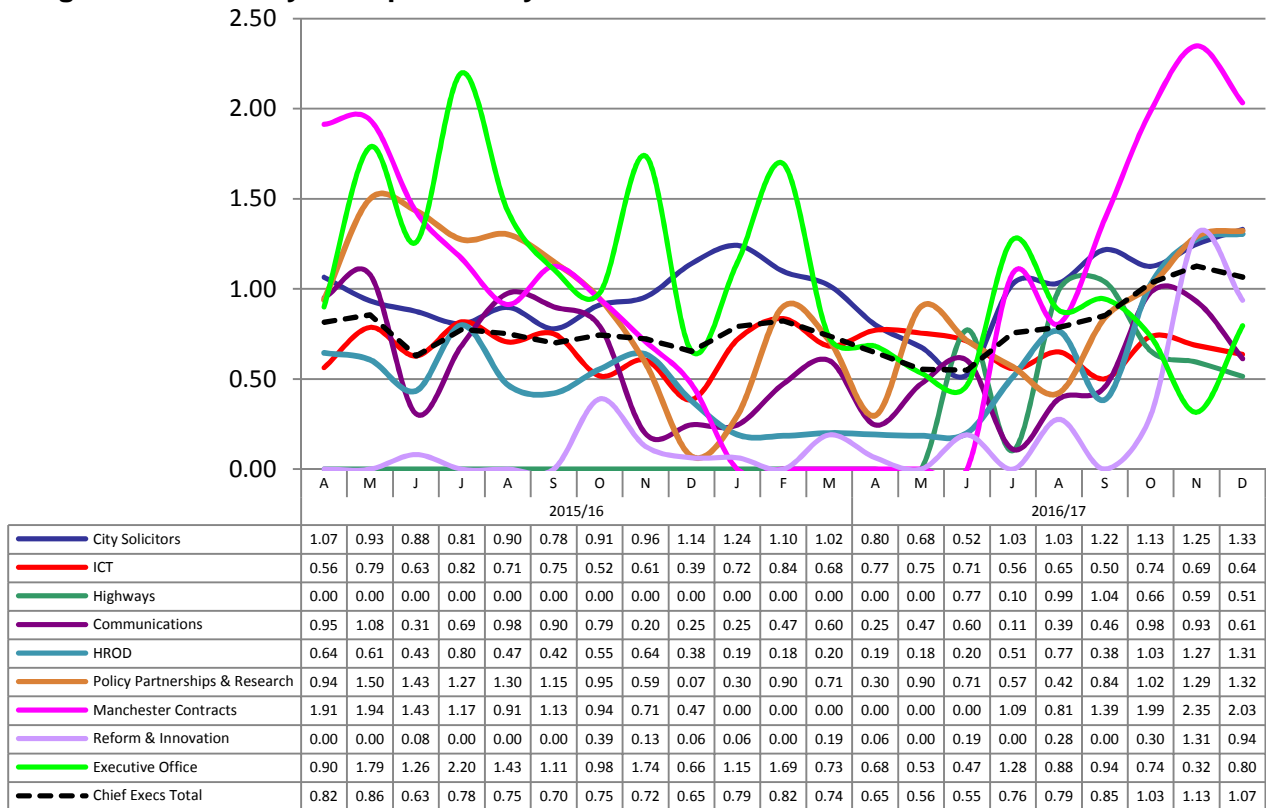


Average number of days lost per FTE by month: Adults Services

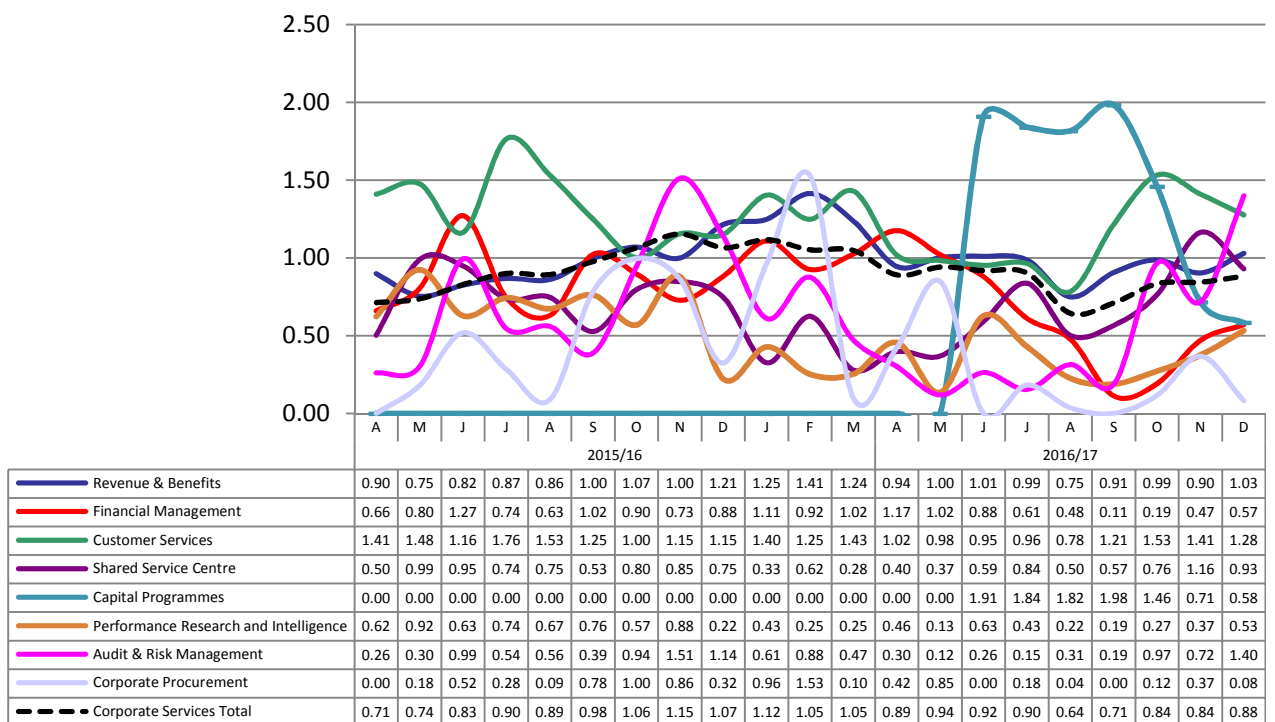


APPENDIX C: SERVICE LEVEL SICKNESS IN CORPORATE CORE

Average number of days lost per FTE by month: Chief Executives

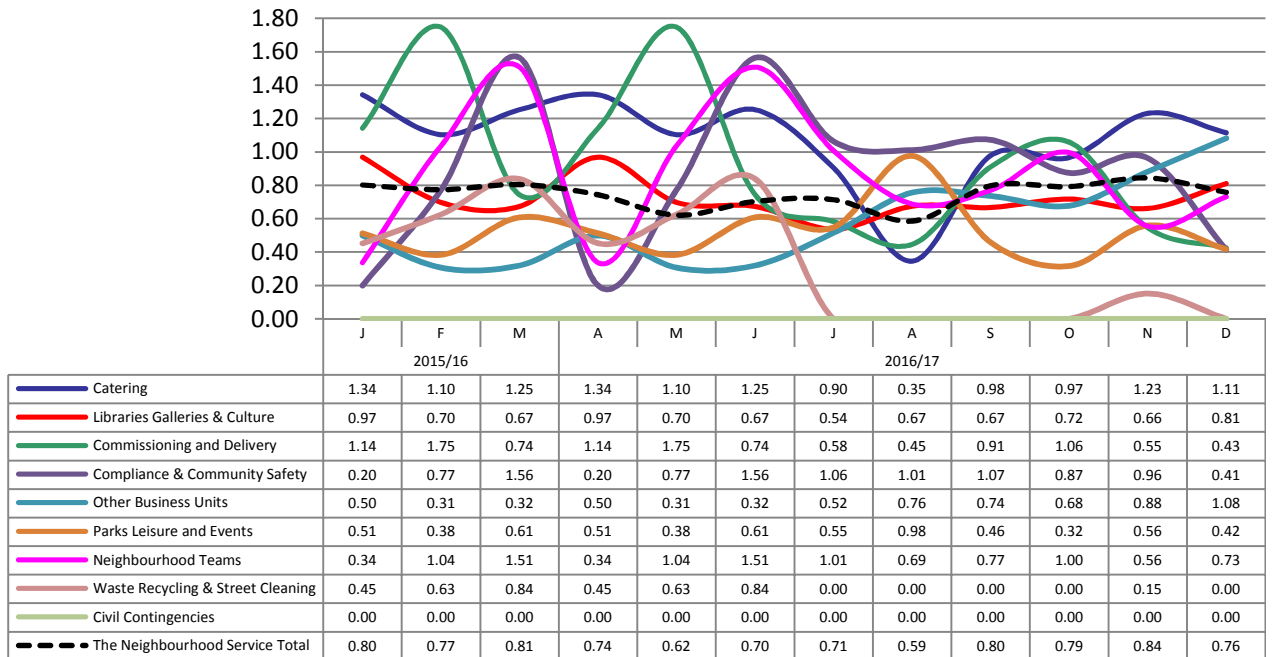


Average number of days lost per FTE by month: Corporate Services

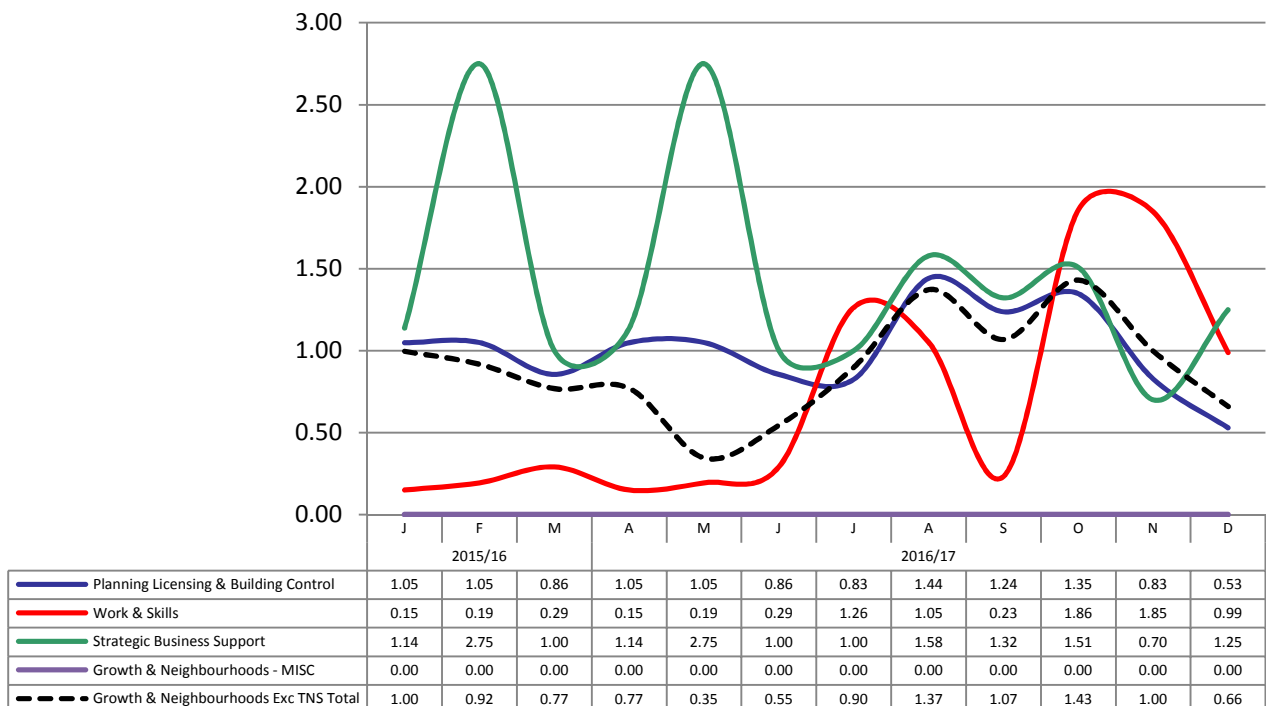


PPENDIX D: SERVICE LEVEL SICKNESS IN GROWTH AND NEIGHBOURHOODS

Average number of days lost per FTE by month: The Neighbourhoods Service



Average number of days lost per FTE by month: Other Neighbourhoods



APPENDIX E: SERVICE LEVEL SICKNESS IN STRATEGIC DEVELOPMENT

