**Human Resources Committee**

**13 June 2008**

**Sickness Absence:  Quarterly
Performance Monitoring**

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## Report of Kim Jobson, Head of Human Resources

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### Purpose of the Report

1       To report the performance of the Council and of individual Services on sickness
        absence during the quarter 1 January to 31 March 2008 and also to consider the
        end of year Best Value Performance Indicator (BVPI) figure.

### Background

2       This is the regular quarterly report to the HR Committee as part of the management
        of Council performance on sickness absence.

### Corporate Performance

3       *Figure 1* identifies our current rate of sickness absence for the last quarter and for
        the 12 months to 31 March 2008, in comparison with our annual target.

| | |
|---|---|
| DCC Performance for the Quarter Only to 31.03.08 | 2.63 days per FTE |
| **DCC BV12 for the Twelve Months to 31.03.08** | **9.35 days per FTE** |
| DCC Annual Target for 2007 - 2008 | 9.75 days per FTE |

*Figure 1: Headline BVPI12 Figures for Quarter ending 31 March 2008*

4       During the quarter to 31 March 2008, sickness absence levels have shown an
        increase on the previous quarter to **2.63** days lost per full time equivalent (FTE)
        County Council employee from 2.47 days in December 2007.  This compares with
        2.61 days to the quarter ending March 2007.

5       The 12-month BVPI12[1] figure to the end of March provides our formal figure for
        reporting to the Audit Commission.  The sickness figure from 1 April 2007 to 31
        March 2008 was **9.35 days per FTE**.  This compare favourably with our formal
        2007 total of 9.84 days and our 2008 target which was 9.75 days.  *Figure 2*
        identifies our end of year figure within the BVPI mechanism and shows that this is
        our best formal return.  However, on a quarterly basis, there has been a slight rise
        form 9.23 days per FTE since December 2007.

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[1] The Audit Commission requirement for calculating this figure is based around the number of working days/shifts lost to
sickness absence and FTE staffing.

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| BVPI | 2000-01 | 2001-02 | 2002-03 | 2003-04 | 2004-05 | 2005-06 | 2006-07 | 2007-08 |
|---|---|---|---|---|---|---|---|---|
| 12 | 9.40 days | 11.20 days | 12.60 days | 10.80 days | 9.76 days | 10.02 days | 9.84 days | 9.35 days |

*Figure 2 – Comparison of formal BVPI figures 2001-08: based on days off per FTE*

6     *Figure 3* shows how the BVPI figure is calculated.

| | | |
|---|---|---|
| Number of days lost to sickness absence between 01/04/07 and 31/3/08 | | **140,035.54** |
| Number of FTE staff at 31/03/07 | **14,440.77** | |
| Number of FTE staff at 31/03/08 | **15,510.82** | |
| Average number of FTE staff over 12 month period | | **14,975.80** |
| Number of days lost per FTE - BVPI 12 | | **9.35** |

*Figure 3:  Calculation of current BVPI figure*

7     Although meeting our target is welcome, it is recognised that the current figure only returns us close to the position we were in at the end of 2000-01.  Data recording processes have evolved since the early part of the century and this will also influence the figure as well as practical actions we have taken to improve performance.  There remains the potential for further improving data recording processes and fuller utilisation of the Resource Link monitoring system.

8     A breakdown of the absences into short and long term periods[2] can be found through Appendix *2.*  Appendix 3 shows the quarterly returns for the Service structure for this quarter and the previous three quarters.  However, caution should still be exercised when assessing Service trends over the 12-month timeline because of the movement of staff groups across Services during internal reorganisations.

9     The current performance measurement framework structured around BVPI's was terminated by the Government on 31 March 2008 (i.e. the end of the 2007-08 measurement period). Therefore, we are no longer required to report through the same specific format to the Audit Commission.  The National Indicator Set due to replace BVPIs does not include for an indicator that measures and compares sickness absence levels.  However, we will still be required to measure sickness absence performance.  The BVPI style calculation will still be used to allow us to measure comparison consistently, both in relation to our own data and against other comparator organisations.

10     With that in mind, targets have continued to be set for the next three years.  They have been established at 9.00 days for 2008-09 and 2009-10 and 8.75 days for 2010-11.  Target setting has to bear in mind the Local Government Review process and its potential implications for sickness absence rates in the coming years, including the future combined rate of the eight Councils.  The quarterly report in February identified that five of the seven district Councils had poorer sickness absence rates than the County Council in 2006-07.

11     There remain some difficulties in collating the data consistently across all Services.  As previously reported, one of the more prominent difficulties is in relation to the background data relating to causes of absence.  This grouping is based upon

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[2] Short-term absences are defined as up to 20 days.

twelve core reasons.  For the second quarter in succession nearly 30% of absences have been recorded against the 'Other' category.  This grouping should not be used as a "catch-all" category, but the consistent high returns means that the value of this part of the analysis is distorted.  Other absence reasons were recorded at 18.95% for Mental Health, 13.03% for Other Musculo-Skeletal and 10.57% for Infections.

12    Services have again been reminded that it remains important that they keep the monitoring and recording of sickness absence as a high priority, include accurate recording and reporting of data via the quarterly proforma.

13    The latest comparison with regard to national data can be made alongside two recently released surveys for 2007.  The Confederation of British Industry[3] annual absence survey identified that the average absence in the public sector remained static at 9 days.  However, this figure remains considerably higher than the average private sector mark of 5.8 days.  A similar national survey by the IRS[4] identified a higher average for the public sector of 10.2 days (against 7.9 days for the private sector).

**Corporate Action**

14    The last report advised of a review being carried out by the Audit Commission.  This was looking at the management of sickness absence in local authorities in Durham and Teesside – seeking to establish the background to sickness absence levels, what is working well, identifying areas for improvement and examining the approaches which lead to reduction in absence levels.

15    An initial condensed report was received from the Audit Commission across the councils covered in the project.  This document was seeking further comment and the County Council did provide feedback.  The final and more detailed report has only been received very recently and is currently being analysed.  Details of the outcomes of this study will be included in the next report to the HR Committee.

16    The Stress Management Policy was reissued in March with further improvements including prompts for managers with regard to possible interventions in individual cases and encouragement on using the policy more proactively, rather than only when an individual has reported sick with a stress related absence.

17    The policy had also been submitted to ACAS for their consideration.  They provided very positive feedback – "it is an excellent document, particularly the possible interventions and the flow chart".  The Stress Management Group are continuing to meet and, prior to the council elections, were working with a Scrutiny Review Working Group in further plans to develop the strategy.  This work has currently culminated in an Overview and Scrutiny Sub-Committee Report that seeks to keep the policy under review, look at how sickness absence & other related survey data can be improved and look further at an evaluation of the telephone counselling service along with the potential for developing a corporate in-house listening and support service.

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[3] Survey of 503 employers
[4] Survey of 330 employers

18	The Health@Work Group is continuing to meet and pursue relevant initiatives.  This included organising an event to participate in National No Smoking Day on 12 March.  Staff from Occupational Health helped to promote the day which aims to encourage people to think about their health and try to give up smoking.  This included running a stall in the Durham Room at County Hall and touring the building during the afternoon to provide advice and give out relevant literature.  Promotional materials were also circulated across the County Council.

19	In addition, Occupational Health are recruiting to the full-time post of a Health and Wellbeing Nurse Adviser.  This post will focus on a wide range of health promotion activities across Council staff including individual lifestyle screening.  Work is also underway to update the Health@Work Intranet pages, coordinated by a Health and Wellbeing Administrator.

**Service Performance and Action – commentary provided by the Services**

*a) Adult & Community Services*

20	The overall A&CS figure has reduced by 0.5 days per employee compared to the previous quarter, and is also down on the same period last year.  The figures are now illustrated in the new service areas with Adult Care recording the highest sickness absence levels and Commissioning the lowest – see *Figure 4* below:

| Service Area | FTE | Days Lost | Days Lost per FTE |
|---|---|---|---|
| Social Inclusion | 51.9 | 137.36 | 2.64 |
| Planning & Performance | 101.5 | 138.66 | 1.37 |
| Adult Care | 1567.4 | 6782.10 | 4.33 |
| Finance & Business Support | 210.2 | 505.93 | 2.41 |
| Learning, Libraries & Culture | 263.2 | 578.00 | 2.20 |
| Commissioning | 22.9 | 16.90 | 0.74 |

*Figure 4:  Breakdown of A&CS figures*

21	Mental Health continues to be noted as the cause for absence with the highest number of days although the trend is continuing to decrease.  The seasonal infection (colds etc., especially in January) related absences continued into this quarter from the last, with the number of days increasing, a very similar picture to the previous year. 'Other Musculo-skeletal' is the third reason with a high number of sickness absence days recorded, although static over the last two quarters.

22	The number of long term absentees (9 months or more) has reduced from 13 to 7 compared to the same period for last year, demonstrating the ongoing efforts in managing long term sickness absence.  Both short and long term absence days have reduced on the last quarter, as they have when compared to the previous year, while the proportion remained static (60% long term absence days and 40% short term absence days).

23	The number of exits following Capability Hearings is also static, on average 7 over the last three quarters.  This trend is expected to persist as work with Strategic Human Resources and Senior Managers is maintained during the forthcoming year.

24    There continues to be targeting of specific action aimed at reducing long term and short term sickness absence - working with managers providing advice, guidance and support where necessary.  The monitoring for long term sick leave is now aimed at staff who have been absent for 4 months or more, ensuring any appropriate actions/support have been applied to managing the absence.  This work compliments the on-going activities of the Sickness Absence Management Group who meet every 3 months.

25    The new A&CS sickness absence management related posts are now together in the Workforce Support Team, headed by the Absence Management Coordinator (mentioned in the previous report).  The team has already updated documentation, refreshed and re-launched processes such as arranging a Final Stage Interview and Capability Hearing which will improve manager knowledge and confidence.  The Sickness Monitoring Intranet page has been redesigned in an attempt to continue and improve service towards absence management.  Agreement at the last Sickness Absence Management Group as part of a new approach included the specific service issues, statistics and trends presented on a quarterly basis will be delivered by the Absence Management Coordinator and discussed at the individual A&CS management team meetings.

26    As part of the ongoing restructure within A&CS, meetings have been held (and are continuing) with Libraries, Learning & Culture management to discuss the integration of managing sickness absence processes to ensure consistency and best practice throughout the Service.

27    The monitoring activities have continued and new initiatives will be sought as part of looking at ways of managing sickness absence effectively.  The numbers of cases that progress to Capability Hearing remain at an expected level, consistent and timely with the corporate policy.  The Sickness Absence Management Group continues to monitor trends and discuss new initiatives at tackling sickness absence within the Service.

### b)  Chief Executive's Office

28    There are no specific trends in the Corporate Division as all but 7 days are attributable to one long term absence.   The long term absentee has been referred to the Occupational Health Doctor and a phased return to work is being considered.

29    In the Strategic Human Resources Division there has been a decrease in sickness absence in the quarter as compared to the previous quarter.  The improvement also compares favourably with the figures against the same quarter in the previous year (2007).  Absences within HR are currently down to a small number of long term absentees and appropriate action is being taken.

30    Management of absence continues within the corporate guidelines across the Service.  Sickness reviews and appropriate referrals to Occupational Health have been undertaken.

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### c) Children and Young People's Services

31    A Human Resource Adviser in CDYES is working closely with managers to reduce the effects of both long and short term sickness.  Sickness statistics are on the agenda of Management Teams in CDYES.

32    Quarterly Performance days within CYPS continue to address levels of sickness absence and inform strategies to improve attendance.

33    Systems are being developed in areas of CYPS in order to more rigorously tackle sickness absence, in conjunction with Occupational Health.

### d) Corporate Services

34    There has been a marginal reduction in sickness absence in this quarter (1.02 days) as compared to the previous quarter ended 31 December 2007 (1.20 days). This also compares favourably with the figures against the same quarter in the previous year (2007) when sickness levels stood at 2.17 days.

35    Strategic Human Resources has, as indicated earlier, now moved to within the remit of the Chief Executive's Office and the sickness absence information is now reported by this Service.

36    All absences are actively managed in line with the County Council policy on Sickness Absence.  A detailed monthly report is produced and discussed at CSMT to ensure that it remains a Service priority.  This information is also shared with staff.

37    Sickness reviews and appropriate referrals to Occupational Health have been undertaken.  Most of the problems were down to a small number of long-term absentees and appropriate action was taken and some have now returned to work.

### e) County Treasurer's

38    During the period, five members of staff who were on long term sickness absence returned to work, the employment of another was ended and one employee is due to retire on 1 April 2008.

39    Return to work interviews are carried out by managers and sickness absence interviews are conducted by an appropriate level of management when trigger points are reached.

40    Following interviews with managers and consultation with Occupational Health, a member of staff on long term sickness is expected to return to work in April.

### f) Environment

41    There has been a significant decrease in both long term and short term absences resulting in a 33% reduction since the last quarter and there has been a slight reduction on the same period last year.

42      One member of staff is under notice following a capability hearing.  Following sickness monitoring, two members of staff on long term sick have returned to work.

43      Managers continue to be informed when staff have hit trigger points.

### g)  Service Direct

44      The sickness ratio for this last quarter has reduced significantly to 2.95 from the higher level quoted in the last quarter which was 3.79.  This reduction has occurred across both flexi and non flexi staff.  The 2.95 compares to 3.05 in the same quarter last year.

45      Sickness reviews continue to take place where applicable and reporting is issued on a monthly basis.

46      Investigations are taking place to try and use Resource Link entirely for all sickness recording and so additional reports have been identified which will enable the existing recording system to be discarded.

47      The six people who left on capability grounds in the last quarter have contributed to the current quarter's reduction.  A further two people have left on capability grounds in this current quarter.

### Recommendation

48      You are asked to note the data and the commentaries on progress given and provide comment, where felt appropriate.

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**Appendix 1: Implications**

**Local Government Reorganisation**
**(Does the decision impact on a future Unitary Council?)**
No decision required within the report.

**Finance**

None directly.

**Staffing**

Short-term absences have a continuing impact on provision of adequate cover across the services. The spasmodic and unpredictable nature of this type of absence affects satisfactory provision in the short term.

**Equality and Diversity**

The Council may consider the equalities monitoring of sickness absence levels as such, and is required to monitor formal action affecting employees.

**Accommodation**

None specific.

**Crime and disorder**

None.

**Sustainability**

None

**Human rights**

None specific.

**Localities and Rurality**

None

**Young people**

None specific.

**Consultation**

Chief Officers may wish to share data in this report within their Services to promote awareness of the issues.

**Health**
It is anticipated that developing strategies such as the Stress Management Policy will contribute to an improvement in the health of its workforce and subsequently assist in an improvement in sickness absence levels.

| Short and Long-term Sickness Absence    01.01.08 - 31.03.08 | | | | | |
|---|---|---|---|---|---|
| | Number of Days Lost | | | | |
| Service | Up to 20 days | % | More than 20 days | % | Total No. of Days |
| Adult and Community Services | 3049.9 | 37.4 | 5109 | 62.6 | 8158.9 |
| Chief Executive's Office | 60 | 28.4 | 151 | 71.6 | 211 |
| Children and Young People's Services | 14544 | 52.0 | 13408.71 | 48.0 | 27952.71 |
| Corporate Services | 243.81 | 85.0 | 43 | 15.0 | 286.81 |
| County Treasurer's | 282 | 39.4 | 433 | 60.6 | 715 |
| Environment | 403 | 36.0 | 715.5 | 64.0 | 1118.5 |
| Service Direct | 999 | 41.9 | 1384 | 58.1 | 2383 |
| **COUNCIL** | **19581.7** | **48.0** | **21244.2** | **52.0** | **40825.9** |

| Short and Long-term Sickness Absence    01.10.07 - 31.12.07 | | | | | |
|---|---|---|---|---|---|
| | Number of Days Lost | | | | |
| Service | Up to 20 days | % | More than 20 days | % | Total No. of Days |
| Adult and Community Services | 3137 | 32.8 | 6427.8 | 67.2 | 9564.8 |
| Chief Executive's Office | 91.4 | 57.3 | 68 | 42.7 | 159.4 |
| Children and Young People's Services | 10957.04 | 49.5 | 11196 | 50.5 | 22153.04 |
| Corporate Services | 209.67 | 61.3 | 132.37 | 38.7 | 342.04 |
| County Treasurer's | 380 | 57.9 | 276 | 42.1 | 656 |
| Environment | 708 | 43.3 | 928 | 56.7 | 1636 |
| Service Direct | 1178 | 38.5 | 1881 | 61.5 | 3059 |
| **COUNCIL** | **16661.1** | **44.3** | **20909.2** | **55.7** | **37570.3** |

**Quarter Comparisons**

| Service: | Quarter 1 Apr - 30 Jun 2007 | | | Quarter 1 Jul - 30 Sep 2007 | | | Quarter 1 Oct - 31 Dec 2007 | | | Quarter 1 Jan - 31 Mar 2008 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FTE | Days Lost | Days Lost per Emp | FTE | Days Lost | Days Lost per Emp | FTE | Days Lost | Days Lost per Emp | FTE | Days Lost | Days Lost per Emp |
| | | | | | | | | | | | | |
| **A & CS** | 2290.20 | 7650.40 | 3.34 | 2293.90 | 9354.70 | 4.08 | 2274.20 | 9564.80 | 4.21 | 2217.20 | 8158.90 | 3.68 |
| *Adult Care* | *1964.30* | *6892.20* | *3.51* | *1972.40* | *8614.30* | *4.37* | | | | | | |
| *Adult LD Services* | | | | | | | | | | | | |
| *Libraries, Learning & Culture* | *260.00* | *616.00* | *2.37* | *258.00* | *522.50* | *2.03* | | | | | | |
| *Community Support* | *65.90* | *142.20* | *2.16* | *63.50* | *217.90* | *3.43* | | | | | | |
| **Chief Executive's Office** | 267.00 | 312.00 | 1.17 | 83.25 | 222.00 | 2.67 | *83.13* | *159.40* | *1.92* | 87.65 | 211.00 | 2.41 |
| **C&YPS** | 10562.58 | 18254.11 | 1.73 | 10838.30 | 16665.63 | 1.54 | 10951.57 | 22153.04 | 2.02 | 11280.00 | 27952.71 | 2.48 |
| *Support Staff in Schools* | *4051.69* | *6945.92* | *1.71* | *4188.22* | *5688.51* | *1.36* | *4223.62* | *7978.08* | *1.89* | *4811.99* | *10738.70* | *2.23* |
| *Teachers* | *4561.14* | *6286.36* | *1.38* | *4668.79* | *4121.92* | *0.88* | *4728.90* | *7669.86* | *1.62* | *4549.09* | *10568.71* | *2.32* |
| *Headquarters Staff* | *975.25* | *1489.50* | *1.53* | *1981.29* | *6855.20* | *3.46* | *1999.05* | *6505.10* | *3.25* | *1918.92* | *6645.30* | *2.88* |
| *Former SC & H Staff* | *974.50* | *3532.33* | *3.62* | | | | | | | | | |
| **Corporate Services** | 334.11 | 641.50 | 1.92 | 285.12 | 338.00 | 1.19 | 285.26 | 342.04 | 1.20 | 280.05 | 286.81 | 1.02 |
| **County Treasurer's** | 153.10 | 285.50 | 1.86 | 289.20 | 671.50 | 2.32 | 296.87 | 656.00 | 2.21 | 296.60 | 715.00 | 2.41 |
| **Environment** | 504.25 | 1180.50 | 2.34 | 539.43 | 1256.50 | 2.33 | 530.45 | 1636.00 | 3.08 | 541.32 | 1118.50 | 2.07 |
| **Service Direct** | 821.00 | 2080.00 | 2.53 | 813.00 | 2725.00 | 3.35 | 808.00 | 3059.00 | 3.79 | 808.00 | 2383.00 | 2.95 |