

Scrutiny Review

Sickness Absence Management

August 2009

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Foreword by Councillor John Holmes Chair of the Review Panel

I am pleased to present this report on behalf of the Review Panel of the Overview & Scrutiny Board. It details the findings, conclusions and recommendations of the panel following its "Spotlight Review" of Sickness Absence.

I would like to take this opportunity to thank all of the stakeholders who gave up time in their busy schedules to speak to the Review Panel over the two evidence gathering days. As a result of their comments and suggestions the panel has come up with a number of recommendations to address the concerning rise in sickness absence.

Members of the Panel recognise that staff are a key asset and are integral to the achievement of the Council's Vision and Ambitions. Sickness levels for 2008/09 are increasing with an associated cost of sickness absence for 2008/09 of £353,000. The first quarter of 2009/10 shows a cost of £76,700.

I hope that the recommendations contained within this report, will help the Council to reduce the number of sick days a year per employee, thereby reducing the cost of sickness absence to the authority.

1. Introduction

- 1.1 As stated in the foreword employees are a key asset for the authority, 80% of the Council's budget is staffing costs. Levels of sickness are a good indication of the "corporate health" of an organisation. Following a peak in 2004/05 and intervention, sickness levels at North East Derbyshire had begun to reduce; however, in 2008/09 levels started to increase again.
- 1.2 In order to try and understand why, Overview and Scrutiny was asked to undertake a 'Spotlight Review' to investigate the reasons behind this increase in sickness levels especially as the Council have been undertaking a range of initiatives to promote active and healthy living amongst the workforce. Additionally a number of measures have also been introduced to improve flexible working practices.
- 1.3 The initiatives which have been introduced are many and varied, all contributing to a holistic approach, which include:
- A new flexible working hours system from 7.00 am to 8.00 pm removing restrictive 'core times' as part of the Single Status Agreement;
 - The launch of a Body and Soul programme – including nutrition advice, health checks, activities for staff and improved employee facilities;
 - New staff engagement and celebration channels, including an annual employee awards event, a staff suggestions scheme and job shadowing;
 - Staff given five days extra annual leave for one year in recognition of the contribution to achieving Comprehensive Performance Assessment 'Excellence' status;
 - Extended home-working opportunities for staff across the authority;
 - Improved terms and conditions, including five days extra holiday entitlement over the next three years to bring us into line with neighbouring authorities.
- 1.4 A full set of Human Resources policies are available to staff in the Employee's Handbook and interactively on the Council's intranet including the Sickness Absence Management Procedure and the Sickness Capability Policy. The Employee handbook is provided to all new employees as a reference document and updates are provided with salary slips. The Council also has an Occupational Health Procedure.

2. Scope of Review

2.1 The review aimed to

- gain an understanding of the level of sickness absence and the reasons;
- test the appropriateness of policies then test the robustness of the implementation of the policies that manage sickness absence;
- test the effectiveness of the current Occupational Health Provider;
- test the impact the new flexi system has had on sickness absence;
- test the timeliness and accuracy of sickness information;
- identify any “hot spots” within particular service areas;
- test the perception that stress related absences are on the increase;
- evaluate the effectiveness of the Body and Soul programme.

2.2 The review panel comprised the following members:

Councillor John Holmes (Chair)
Councillor Paul Broadhead
Councillor Mick Emmens
Councillor Clive Hunt
Councillor Frank Taylor

3. Key Findings

Strengths

- 3.1 The existing policy framework for managing sickness is regarded as robust and effective if used correctly. The existing procedures were clearly written and worked well.
- 3.2 The majority of staff feel the authority has a positive attendance culture and some managers use their own incentives to recognise positive attendance.
- 3.3 The introduction of the revised flexi system as part of the Single Status agreement and enhanced annual leave scheme has been well received by staff. Their introduction was regarded as a positive measure by the authority and was helpful in allowing staff flexibility to achieve a work/life balance. They were also considered useful in terms of sickness as staff now have the flexibility to use flexi if wished when they felt unwell but not so significantly as to take sick leave. It was acknowledged

however, that this should not become a mechanism for masking genuine sickness. Some staff expressed the fear that people may feel pressured to use flexi leave rather than sick leave when they are sick.

- 3.4 Teams work well together and provide peer support when colleagues are off sick. In the short term people were happy to provide cover during sick leave provided they believed it to be genuine.
- 3.5 The authority is considered to be proactive in providing a mixture of measures to support health and wellbeing. Over the last year a variety of initiatives have been introduced. In particular health checks were considered very useful in supporting staff in monitoring their health and preventing ill health. Free use of leisure centres for employees was seen as a positive measure by staff. A suggestion was made that the Council could consider a reciprocal arrangement with neighbouring authorities for staff living outside the District to use their leisure facilities which would be beneficial to the health and wellbeing of employees.
- 3.6 The Occupational Health Referrals system works well when Human Resources proactively support it. Most respondents who had been referred considered that the time period was acceptable.
- 3.7 There is a good working relationship between Human Resources and Occupational Health
- 3.8 Occupational Health feel that cases of stress related illnesses are being identified by managers at an early stage.
- 3.9 On specific issues Human Resources provides good support to managers.
- 3.10 Trade Unions are working proactively to promote health and wellbeing in the authority including holding a 'Stress Day'

Areas for further improvement

Corporate Management Team

- 3.11 The profile of sickness management within the authority appears to have diminished recently which has been acknowledged by Human Resources. In order to ensure that the Corporate Management Team can manage sickness effectively and it is seen as an important priority within the authority it was felt that The Corporate Management Team

need to reconfirm their commitment to this issue and ensure that they proactively drive its ownership at all levels within the organisation.

Human Resources

- 3.12 Sickness data has not been produced in a regular, consistent and timely manner. This is leading to triggers being missed by managers, trends not being identified and delays in accurate information being produced. This is impacting on managers and the Corporate Management Team's ability to manage sickness effectively within the authority.
- 3.13 The service provided by Human Resources to support managers is inconsistent. In particular there appears to be an inconsistency in provision of link officer support to services. Where meetings take place, these are regular and are highly regarded by managers. However, this is not the case for all services.
- 3.14 One of the consistent themes in the evidence gathering sessions was that managers welcomed and would like to receive more support from Human Resources

Information provision

- 3.15 The format of how information is prepared and presented needs to be reviewed to ensure it is more meaningful and useable. One issue raised by several people was the need to provide clear details of long term and short term illness.

Framework

- 3.16 The existing framework for managing sickness was considered effective by managers. However, application of the policies was inconsistent across the authority. This led to staff being treated in different ways and the effectiveness of the process dependant on the individual manager. One example of this was that return to work interviews were not always undertaken by managers when staff returned from sick leave. The purpose of the interview, when held, was not always clear to the employee.
- 3.17 There was evidence that some managers were not fully aware of their responsibilities in managing sickness. Whilst many managers were fully committed to improving sickness there was some evidence of a lack of ownership of the process by other managers and an over reliance on Human Resources to provide direction.

- 3.18 There was also evidence to suggest that staff were unaware of their role in sickness management.
- 3.19 A number of stakeholders considered that the policies and procedures require updating to reflect structural changes. It was also suggested that the emphasis of the policies needed to be reviewed in the light of the current economic climate. Some commented that they felt the policies were too employee-focused and some of the timescales should be reduced, especially at Stage one of the procedure.
- 3.20 There were some minor anomalies within the policies that did not work in practice. One example raised was the reporting by telephone to a manager that you were off sick. Frequently this did not happen in practice because the manager was not present or had delegated the completion of the SF1 to another member of staff or the time for notification was later than the commencement of work periods in depots.

Occupational Health

- 3.21 Experience of the occupation health service was varied. Some issues were raised by staff and managers about the usefulness of information and reports provided by the service. Many managers felt insufficient resource was available from Occupational Health. Additional assistance and information on how to help get employees back to work in a timely manner would be welcomed. Time limits for referrals were generally felt to be acceptable. Several people commented that sufficient appointments for counselling were not available but when they were offered proved effective at getting people back to work.

Stress

- 3.22 Stress appeared to be an issue across most of the authority. Both from focus groups and questionnaires received comments were made on individual stress levels and within service areas. There appeared to be a genuine concern at raising the issue and several people commented on not wishing to appear to be 'weak' and put themselves in a position of vulnerability during the current economic climate and recent redundancies. Several people commented that people were afraid to admit to stress. Reasons cited for the increase in stress levels were the rapid rate of change within the council over recent months, fear of redundancy and increasing workloads being delivered by a reduced resource.

Training

3.23 Awareness training was raised at all levels. Some managers had considerable experience of operating under the existing framework and used the policies effectively and proactively to manage sickness. However, even these managers felt that occasionally the policies presented difficulties where some people abused them to lengthen time periods before action could be taken. It was felt that refresher training would be useful on the existing framework and how it could be used effectively. Issues raised were :

- Inconsistencies in information provided for Occupational Health referrals from managers;
- Some managers are clear with employees as to why they are being referred and what to expect but this is not consistent;
- Guidance is needed on when to offer a phased return and for what length of time;
- Clarification on how to handle the conflict that sometimes occurs between Occupational Health Advice and a GP note;
- Clarification on the requirements of the Disability Discrimination Act. Some managers feared managing sickness in case they failed to meet their requirements under this legislation;
- The need for managers to be proactive in managing sickness and contact Human Resources when they require support rather than letting a situation escalate;
- The need for line managers to provide sickness and contractual information in a timely and accurate way;

3.24 It was suggested that a brief information session should be included on the staff induction. This would be useful to help employees understand the importance and impact of sickness within the organisation.

Health Initiatives

3.25 The awareness and appreciation of the Body and Soul initiative was varied. There was support for some of the activities such as the health checks carried out by professionals but several staff thought that the emphasis on Body and Soul was too intensive and was taking resources from more important areas including support to managers from Human Resources. At a time of limited funding many staff felt that the range of activities was inappropriate.

3.26 Quarterly Health checks were appreciated by staff but it was felt that more flexibility to follow them up would be useful.

Other Issues

- 3.27 There is a need to re-establish a mechanism for the recording and notification of accidents to the Health and Safety Advisor that require reporting to the Health and Safety Executive. With the restructuring of the administration section this information is now not being received consistently.
- 3.28 Whilst it was recognised that the council was facing a number of difficult challenges, there was a general consensus that the Council still needed to reassess its priorities in the light of the changed resource within the authority. Resources had been reduced but work programmes did not reflect this reduction. A recurring theme was the level of pressure and the stress this caused for staff due to workloads. This was further exacerbated when staff went off sick
- 3.29 A suggestion was made that a new starter checklist including sickness should be considered. This checklist would be completed by the manager and employee on their first day of work to ensure they were aware of key items.
- 3.30 A suggestion was made that the Council consider incentives for attendance. However, the view was also expressed that this should not be necessary as people are employed to work and should not require an incentive to attend work.
- 3.31 Following on from the Council's flexibility on home working a suggestion was made that the Council consider whether a 'stuck not sick' scheme could be added to this provision. This type of scheme allows employees who are unable to get to work on a particular day but could work from home to do so with agreement of their manager.

4. Conclusion

- 4.1 The framework for managing sickness within the Authority is sound. There are many examples of good practice. The Council has introduced a number of initiatives and measures to help support staff in their health and well being. On the whole there is a positive attendance culture within the organisation.
- 4.2 However, there are some areas for further improvement. The application of the framework by managers is mixed and the key measure that needs to be undertaken is to ensure all managers are aware of their responsibilities and made accountable for managing

sickness consistently across the authority. Additionally the authority needs to reassess its priorities against the staffing resource now available within the organisation to ensure that sickness levels particularly stress related illness does not increase.

5. Recommendations

That:

- 5.1 The Corporate Management Team take a higher profile in the management of sickness to ensure that the framework is implemented consistently by all managers within the authority.**
- 5.2 The current sickness absence management policy be reviewed to update out of date information and to consider whether the document is robust in the light of the current economic climate.**
- 5.3 Managers be made accountable for using the sickness framework consistently across the authority.**
- 5.4 Human Resources take the lead in a proactive enforcement role to ensure managers implement the appropriate sickness procedures.**
- 5.5 Link officer meetings are held regularly, consistently and are timetabled across the authority.**
- 5.6 Human Resources ensure that the website pages relating to sickness absence management are brought up to date as a priority and maintained.**
- 5.7 The roll out of the HR21 system be completed including input of accurate data and structure to facilitate the production of sickness management information.**
- 5.8 Managers ensure that sickness is included as a standard item on team meeting agendas and team meetings are being held. This needs to be monitored as this is not currently happening.**
- 5.9 Information/data on sickness be produced in a timely manner, be accurate, available and used across the organisation to ensure effective management of sickness.**

- 5.10 Consideration be given to the introduction of a manager's checklist to include the sickness procedures, for use when new employees commence.**
- 5.11 A brief section on sickness be included on the staff induction programme.**
- 5.12 Training be provided to managers on sickness management in line with the comments identified in this report.**
- 5.13 A session on a staff road show be held on the impact of Sickness within the authority.**
- 5.14 The authority needs to address the increasing sickness levels relating to stress within the organisation.**
- 5.15 Consideration be given to holding a series of stress awareness sessions.**
- 5.16 The value and effectiveness of the Body and Soul Initiative be evaluated.**
- 5.17 The authority consider the cost benefit of providing a dedicated Occupational Health provision within the organisation.**
- 5.18 That the redeployment policy be reviewed to ensure it can address the issue of the aging work force in some of the outside services.**
- 5.19 That consideration is given to best practise in other Councils.**

Appendix 1 – Methodology

“Spotlight reviews” are a new way of working for scrutiny members at North East Derbyshire District Council. They are undertaken by a small review panel (up to 6 members) of scrutiny Committee members. The review process is intensive and completed over a short space of time. The approach centres on an evidence gathering day. During the course of this day information is collected and collated via “interviews” and discussion groups with officers, members and other stakeholders. It is anticipated that spotlight reviews can, when required, be completed start to finish in approximately six weeks. This is a considerably shorter time scale than “in-depth” reviews which tend to be undertaken over a longer time period (6 months or more). Spotlight reviews are not intended to provide a detailed analysis. They are designed to identify “quick wins”. They can usefully be established to respond to emerging issues, prompted by, for example, evidence of declining performance or a policy not meeting objectives.

The spotlight review process can be summarised as:

Stage 1 - A briefing paper is issued to the review panel approximately two weeks before the review. The paper summarises current practice and possible areas for further improvement.

Stage 2 - An initial review panel meeting considers the briefing paper, agrees key questions and identifies additional information and research required.

Stage 3 - A one day programme of evidence gathering sessions is held. This includes interviews with various officers and members and focus/discussion groups. The day finishes with a review panel meeting to collate and triangulate key findings, and agree recommendations.

Stage 4 - A short report is drafted in consultation/conjunction with the panel chair and service officers. The report contains a summary of key strengths, areas for improvement and recommendations.

Stage 5 - A final meeting of the review panel agrees the report before its submission to the CMT, O&S Board and Cabinet. The lead officer, relevant Director, and relevant portfolio holder is invited to this meeting. During this spotlight review of policy development, the review panel sought views from a range of officers and members. These included the chief executive, Leader, cabinet portfolio holders, scrutiny chairs, senior managers and other officers. A full list of those who provided information and views to the panel can be found at Appendix 2.

APPENDIX 2 - List of Stakeholders engaged during the Review process

Mike Goodwin	Chief Executive
Philip Spurr	Director for Place Shaping
Paul Hackett	Director for Health and Well Being
Angela Grundy	Assistant Director – Human Resources
John Newby	Assistant Director – Governance
Alison Westray-Chapman	Assistant Director – Planning and Development
Gael Hepburn	Assistant Director – Corporate Improvement
Naomi Smith	Principal Solicitor
Steve Brunt	Street Scene Manager
Geoff Bagnall	Financial Services Manager
Rachael Pope	Customer Services Operational Manager
Chris Taylor	Communications and Marketing Manager
Ian Spencer	Revenues and Benefits Manager
Steve Lee	CHART LSP Co-ordinator
Mark Rocca	Duty Officer – Leisure Services
Geoff Warburton	Duty Officer – Leisure Services
Gary Goodrich	Estates and Valuation Manager
Rebecca Slack	Housing Strategy and Enabling Manager
Steve Jowett	Refuse and Cleansing Manager
John Chambers	Office Manager – Licensing
Donna Hopkinson	Sustainable Communities Support Manager
Clare Ashton	Principal Human Resources Officer
Jane Weston	Human Resources Officer
Sara Gordon	Human Resources Officer
Mick Roddy	Health and Safety Advisor
Mick Cave	Refuse and Cleansing Supervisor
Paul Worthington	Refuse and Cleansing Supervisor
Amar Bashir	Policy Officer
Carol Taylor	Licensing Assistant
Claire Simmons	Projects Officer
Peggy Clinton	Home Renovation and System Support Assistant
Peter Lazenby	Environmental Health Officer
Heather Bates	Streetscene Technician
Carol Hurman	Quality Assistant
Shaun Gascoigne	Refuse and Cleansing
Kevin Walker	Refuse and Cleansing
Gemma Gresswell	Customer Services Advisor
Nicola Griffiths	Customer Services Advisor
Mark Thomas	Customer Services Advisor
Dawn Cryans	Customer Services Advisor
Carl Rawson	Customer Services Advisor
Lisa Derbyshire	Customer Services Advisor
Andrew Gascoigne	Senior Revenues Officer
Martin Handley	Economic Development Projects Officer
Claire Shacklady	Acting PA to the Leader of the Council
Fran Puddick	E-Information Officer
Helen Mitchell	Democratic Services Assistant
Rebecca Poole	UNISON
Mick Wheelan	UNITE
Sian Lloyd	Occupational Health Advisor – Hobson Health