



Attendance management

SUMMARY

- 1.1 The Council reports on its performance in managing attendance through the performance measure:

- CP 08f - Average working days per employee (full time equivalents) per year lost through sickness absence (excluding schools).

This report sets out current performance and notes the Council's position in relation to its peers, and the existing actions in place to support improvement in performance.

As the Board will be aware there has been a significant transformation programme undertaken over the past 2 years which resulted in the Council achieving their required £67m of budget savings. It is possible that future performance results may be affected by these on-going organisational-wide changes, such as the impact of the Council's Medium Term Financial Plan and also the implementation of the Equal Pay review and proposals to harmonise terms and conditions. Although it is not possible to predict what impact, if any, such key corporate initiatives may have on performance, these factors should be taken into consideration when reviewing past and future performance results.

- 1.2 The performance measure for quarter three 2013/14 indicates for the non-schools workforce that 2.44 FTE days were lost per employee. The target for the same period was 2.05 FTE days.

The FTE days lost per employee, excluding schools, has increased overall from quarter three 2012/13 to quarter three 2013/14 by 0.67.

The total number of working days lost in quarter three 2013/14 is 10714, compared to 8202.5 in quarter three 2012/13.

It should be noted that performance reporting for 2012/13 included schools within the performance measure. However, the decision was taken to exclude schools when setting the target for 2013/14. By excluding schools, the number of FTE staff has been reduced and one resulting effect has been to show an increase in the number of FTE days lost.

In addition, the average FTE employees in the non-schools workforce has also decreased during 2013/14 as a result of restructures and voluntary redundancy. Again, this has had the effect of reducing the overall number of FTE staff which will have had an impact on increasing the number of FTE days lost.

- 1.3 The 2013/14 year-end target, excluding schools, is 7.5 days and the year-end forecast at the end of quarter three is projected as significantly exceeding the target at 9.8 days. However, this position has improved from quarter two when the year-end

forecast was 10.5 days.

- 1.4 Analysis of the proportion of long term and short term absence shows that long term absence (over four weeks) accounts for 67%, with short term absence accounting for 33%. Despite the increase in the number of working days lost, long term absence as a proportion of the total absence has remained relatively stable.

| Quarter one | Long term | Short term |
|-------------|-----------|------------|
| 2011/12 | 64% | 36% |
| 2012/13 | 67% | 33% |
| 2013/14 | 67% | 33% |

- 1.5 The top five reasons for absence have not changed during the last three years, although the ranking of reasons has changed with viral infection now being the most common reason for absence. Directorates have differing highest ranking reasons for absence, and differing highest ranking reasons for absence by occupational group.
- 1.6 Comparison of performance with other authorities in the region is favourable for the year 2012/13 with Derby at 7.6 FTE working days lost per employee performing better than Derbyshire, Northamptonshire, Nottingham City and Leicester City.
- 1.7 Performance on sickness absence has been the subject of a Resources and Governance Performance Surgery on 28 October 2013 with a follow up session being held on 27 January 2014.

An action plan has been developed to support the Council's focus on improving performance in managing attendance with a range of actions included, such as:

- Managing attendance briefings for managers
- reviewing the Occupational Health service and placing a greater focus on the health and wellbeing of the workforce
- Implementing the new HR/payroll system and providing regular business intelligence reports on absence data at management meetings

The action plan was updated in June and October 2013, and refreshed again in January 2014. See Appendix 4.

A further follow-up Resources and Governance Performance Surgery on sickness absence is scheduled for April 2014 and will include representatives from the Health and Wellbeing Board.

- 1.8 An Employee Health, Wellbeing and Managing Attendance Task Group meeting was held in mid-March to scope a revised approach to promoting and supporting health and wellbeing, management of absence and promoting personal responsibility. The Group, comprising representatives from HR, Public Health and Occupational Health, agreed to use the Health and Wellbeing Strategy as a catalyst for developing a revised approach. The Group also agreed to consider the Workplace Health Charter as the framework for the Council to undertake a self-assessment process.

RECOMMENDATIONS

- 2.1 To note the 2013/14 performance results in relation to attendance management, and the context for the performance.
- 2.2 To agree that sustained action is required to continue to manage attendance and support improvement in performance.

REASONS FOR RECOMMENDATIONS

- 3.1 Managing attendance is a key priority to ensure the effective and efficient delivery of services, in addition to contributing to the health and wellbeing of the workforce.

SUPPORTING INFORMATION

- 4.1 It should be noted that performance reporting for 2012/13 included schools within the performance measure. However, the decision was taken to exclude schools when setting the target for 2013/14. By excluding schools, the number of FTE staff has been reduced and one resulting effect has been to show an increase in the number of FTE days lost. In addition, the average FTE employees in the non-schools workforce has also decreased from quarter one 2012/13 to quarter one 2013/14 by 180 as a result of restructures and voluntary redundancy. Again, this has had the effect of reducing the overall number of FTE staff which will have had an impact on increasing the number of FTE days lost.
- 4.2 Whilst the exclusion of schools from the performance measurement and the reduction in the overall non-schools workforce can't fully account for the increase in the number of FTE days lost per employee, and the total number of working days lost, these factors should be taken into account.
- 4.3 Other factors which may have an impact on the results may include:
 - Seasonal variations
 - Level of manager intervention e.g. awareness of and consistency of policy application
 - Economic climate
 - Organisational change

It is possible that future quarters' results in 2013/14 may be affected by organisational-wide changes, such as the impact of the Council's Medium Term Financial Plan and also the implementation of the Equal Pay review and proposals to harmonise terms and conditions. Although it is not possible to predict what impact, if any, such key corporate initiatives may have on performance, these are potential factors to consider when reviewing future quarters' results.

- 4.4 Recent research published by the Chartered Institute of Personnel and Development, CIPD, in partnership with Simplyhealth, shows that the national absence average is 7.6 days per employee. There is considerable variation across organisations, with average absence levels being highest in the public sector at 8.7 days per employee. Set within the national public sector context, the Council's outturn of 7.6 FTE working days lost per employee for 2012/13 is encouraging. However, as previously stated, sustained action is required to continue to manage attendance and to support improvement in performance.

The research also shows that just under half of absence in the public sector is short term, compared with over three-quarters in the private sector. The Council's long term absence rate of 67% is clearly above the national trend.

- 4.5 The top five overall reasons for absence across the non-schools workforce have not changed during the last three years, although the ranking of reasons has changed with viral infection now the most common reason for absence. The top five reasons for absence account for almost 61% of the all absences, and stress and related symptoms has reduced from 17.22% to 13.47% during the first quarter of 2013/14 compared to the same period during the last financial year. Interestingly the CIPD research indicates that public sector organisations were more likely to report that stress-related absence had increased.

Directorates have differing highest ranking reasons for absence, although stress and related symptoms and/or viral infections feature heavily as the top absence reasons in all directorates. Appendix 3 provides more detailed analysis.

- 4.6 At the Performance Surgery in October 2013 additional and more detailed analysis was requested on the reasons for absence by occupational groups. When comparing data for absence by occupational group for 2011/12, 2012/13 and 2013/14, not surprisingly there are differing highest ranking reasons for absence. What is perhaps more surprising is that there is not necessarily a consistent top ranking reason within the same occupational group across the directorates. Where it might be expected to see a trend in a certain occupational group, the data does not appear to bear out this expectation. For example, the 2013/14 data for manual employees indicates a variety of reasons including stress and related symptoms, operations and recovery and other musculo-skeletal. Similarly, for professional employees across the five directorates the data for 2013/14 indicates five different top ranking reasons.

Appendix 5 provides more information for directorates.

More detailed analysis is currently being undertaken and the findings will be reported back to the Performance Surgery in April 2014.

- 4.7 The action plan developed after the November 2012 performance surgery drew together a number of existing and new actions to continue to support managers in their people performance management responsibilities. The actions included:
- a programme of manager briefings on managing attendance
 - up-skilling managers in holding difficult conversations
 - promoting initiatives to support the health and wellbeing of employees, and
 - undertaking a review of the Council's Managing Attendance policy.

The refreshed action plan will continue to assist managers in discharging their responsibilities.

OTHER OPTIONS CONSIDERED

5.1 None.

This report has been approved by the following officers:

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| Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s) | Liz Moore, Strategic HR Business Partner N/A Karen Jewell, Director of HR & Business Support Nicki Gibbons, Head of Strategic HR and OD Heather Greenan, Head of Performance and Improvement |
| For more information contact: Background papers: List of appendices: | Liz Moore, 01332 643730, liz.moore@derby.gov.uk Sharon Hancock, 01332 643454, Sharon.hancock@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Sickness absence benchmarking information Appendix 3 – Top five absence reasons Appendix 4 – Action plan update Appendix 5 – Absence reasons by directorate and occupational group |

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| IMPLICATIONS |
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Financial and Value for Money

- 1.1 The performance framework measures how the Council is delivering value for money against its Council Plan objectives, customer standards and performance measures.
- 1.2 Implementing the recommendations should decrease the direct costs of absence and providing cover.

Legal

- 2.1 Inconsistent application of attendance management policies could create claims of different treatment and affect outcomes of appeals and Employment Tribunals.

Personnel

- 3.1 Failure to consistently address attendance management issues can create low morale for colleagues who are required to cover other colleagues' absence, and poor performance management has been raised by staff in previous employee surveys as an area for improvement.

Equalities

- 4.1 Managing attendance effectively should ensure that the Council addresses its requirement to consider, and implement as appropriate, any reasonable adjustments.

Health and Safety

- 5.1 The Council needs to discharge its duty of care to its employees through the continued effective management of absence.

Environmental Sustainability

- 6.1 None arising directly from this report.

Property and Asset Management

- 7.1 None arising directly from this report.

Risk Management

- 8.1 None arising directly from this report.

Corporate objectives and priorities for change

9.1 Value for money and improved ways of working.