

 <p>the low tax borough</p>	<p>London Borough of Hammersmith & Fulham</p> <p>OVERVIEW & SCRUTINY BOARD 28 JANUARY 2014</p>
<p>UPDATE ON SICKNESS ABSENCE MANAGEMENT IN LBHF</p>	
<p>Report of the Corporate Director</p>	
<p>Open Report</p>	
<p>Classification: For Scrutiny Review & Comment</p>	
<p>Key Decision: No</p>	
<p>Wards Affected: All</p>	
<p>Accountable Executive Director: Jane West, Executive Director Finance & Corporate Services</p>	
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1. EXECUTIVE SUMMARY

- 1.1. This report updates the Committee on the latest figures for sickness absence for the Council and compares this with both public and private sector sickness absence rates across the UK. LBH&F compare favourably with both public and private sector absence levels over the previous year.

2. RECOMMENDATIONS

- 2.1 To note the detailed actions set out in this report to reduce absence across the workplace and the proactive support for both managers and staff which are in place and which continue to drive down absence across the Council.

3. INTRODUCTION AND BACKGROUND

- 3.1 This Report updates the panel on the current position in relation to the Council's sickness absence figures and gives comparisons with the UK public, not for profit and private sectors and London local authorities generally. The report highlights the most recent UK wide trends and causes for absence and outlines the key elements of the Council's strategy for managing effective attendance at work.

4. CURRENT ABSENCE LEVELS IN LBH&F

4.1 Sickness Levels

The Council uses two sets of figures to effectively monitor sickness absence. The first calculates the average number of working days of sickness per employee (current staff and leavers included) over a 12 month rolling period using the previously used Audit Commission Best Value Performance Indicator (BVPI). The figures for the Council as at end October 2013 using this calculation is set out below as follows:

Month Ending	CHS	ASC	TTS	FCS	HRD	ELRS	TLA	Avg. days lost H&F
November-12	7.4	9.6	8.0	6.0	10.8	4.6	6.9	8.1
December-12	7.4	9.4	7.9	6.1	10.5	4.9	6.9	8.0
January-13	7.5	8.8	7.8	6.1	10.0	5.0	6.7	7.7
February-13	7.5	8.3	7.5	5.9	9.5	5.1	6.4	7.5
March-13	7.4	8.0	7.3	5.9	9.2	4.9	6.4	7.5
April-13	7.5	8.0	7.4	5.9	9.4	4.9	6.5	7.6
May-13	7.3	6.5	7.3	6.1	9.2	4.7	6.4	7.3
June-13	7.3	6.0	7.3	5.8	8.9	4.9	6.2	7.2
July-13	7.2	5.5	7.4	5.4	8.7	5.1	5.7	7.1
August-13	7.3	5.0	7.3	5.2	8.3	5.3	5.3	7.0
September-13	7.1	5.0	7.4	4.8	8.1	5.4	5.1	6.9
October-13	6.7	5.1	7.2	4.5	7.9	5.4	4.8	6.5

4.2 This table shows sickness levels have reduced from 8.1 days as at November 2012 to year to an average at the end of October 2013 of 6.5 days per employee.

4.3 When the sickness days are removed for those employees who have either left the Council's employment or transferred (e.g. via TUPE) over the course of the last year then the actual Council wide sickness absence figure is 4.9 days per annum. The table below illustrates (as above) the continued reduction in absence levels across the Council using this calculation.

Year Ending	CHS	ASC	TTS	FCS	ELRS	HRD	TLA	Avg. days sick per employee
Nov-12	5.3	8.6	6.9	5.5	4.6	9.4	6.0	6.0
Dec-12	5.5	8.5	6.8	5.3	4.9	9.1	6.2	6.1
Jan-13	5.6	8.4	6.9	5.3	4.9	9.1	6.2	6.1
Feb-13	5.6	7.4	6.3	4.9	5.1	8.2	3.9	5.9
Mar-13	5.9	7.2	5.7	5.1	5.0	8.2	4.2	6
Apr-13	5.7	7.3	5.9	5.1	4.1	7.1	4.7	5.8
May-13	5.7	6.3	6.0	5.5	3.9	6.9	4.9	5.8
Jun-13	6.1	6.0	6.2	5.5	4.3	7.1	5.4	6.1
Jul-13	5.9	5.2	6.0	5.0	4.3	4.3	4.5	5.6
Aug-13	6.0	4.7	6.0	4.8	4.5	4.2	4.3	5.6
Sep-13	5.3	4.7	6.4	4.5	4.4	4.2	4.3	5.1
Oct-13	5.1	4.8	5.4	3.8	4.6	4.5	4.2	4.9

4.4 The Council's actual sickness figure of 4.9 days (with leavers excluded) is down from 6.0 days in November 2012 and is the lowest ever recorded figures for sickness absence by the Council. This continues to illustrate the effective attendance management policies currently in place across the Council.

5. COMPARISONS WITH THE PUBLIC, NOT FOR PROFIT AND PRIVATE SECTORS

5.1 The CIPD (Chartered Institute for Personnel and Development) the world's largest chartered HR and professional development and well respected UK commentator has produced its annual survey on absence management for 2012.

5.2 Based on a comparison between 2011 and 2012, the CIPD reports that across UK industry (public, private and not for profit sectors combined), absence levels have remained stable at 7.6 days per annum. This is over a day less when compared with the Council's average level of absence at 6.5 days (including leavers over the last year) and 2.7 days below the UK average when using actual employee numbers.

5.3 The CIPD confirms that absence levels remain higher in the public than private sector with average absence in the public sector last year at 8.7 days per employee per annum. These figures compare favourably in LBH&F with absence levels 2.2 days below the public sector average when leavers are included and 3.8 days below the public sector average when using actual employee numbers.

- 5.4 In the private sector the CIPD reports that average absence stands at an average 6 days per annum. This compares favourably for LBH&F who are over a day below the private sector average when using actual employee numbers (at 4.9 days per annum).
- 5.5 Comparisons using data supplied by Inner and Outer London Councils (as part of a new set of employment related statistics) for 2013 will not be available until the summer of 2014. However based on figures for 2012 (where leavers included were the only figures recorded at the time and which should be treated with caution), LBH&F were at the London average of 8.0 days.

6. ACTIONS TAKEN AS PART OF A FOCUSED ABSENCE STRATEGY

- 6.1 Attached as an Appendix are the ongoing key actions taken as part of the Council's overall absence strategy based on best national practice and which continue to contribute to the reduction in sickness absence across the Council at a time of unprecedented change.

7. REVIEW OF LBH&F'S CURRENT CORPORATE SICKNESS ABSENCE TARGET

- 7.1 The Council's current corporate target is 7.8 days (including leavers) and 5.6 days (excluding leavers). Both have been met and exceeded over the last year.
- 7.2 Consideration has been given to the setting of departmental absence targets as requested at a previous Overview and Scrutiny Board. In considering whether to set individual departmental targets, Executive Directors have taken into account:
- that the Council's current absence levels are the lowest ever recorded for the Council
 - that the recent reduction in sickness absence triggers from 9 days to 6 days has had a positive effect on absence rates within the Council
 - absence levels in LBH&F corporately (when using actual absence figures) are at the levels of the best in London
 - LBH&F's absence rates are 20% lower than the UK private sector average and over 40% lower than the public sector national average
 - the vast majority of the Council's 'blue collar' workforce which traditionally have had higher levels of absence have been outsourced
 - those departments with 'front line' services e.g. social workers in Adult Social Care and Parking Services in Transport and Technical Services have seen absence levels reduce considerably over the last year through targeted HR interventions in these key areas (reductions from 8.6 to 4.8 days

in Adult Social Care and from 6.8 to 5.4 days in Transport and Technical Services

- a range of effective and bespoke HR interventions are already in place to monitor and manage any departments or divisions with increasing absence levels
- we work with a number of external partners to ensure the health and well-being of the Council's workforce is at the forefront of the Council's approach to absence management (e.g. working with MIND on recognising and handling mental health issues in the workplace, promoting physical health e.g. reduced cost memberships to the Borough's gyms and fitness centres)

7.3 Executive Directors have also taken into account the fact that the Council is undergoing substantial organisational change and the impact this has on managing individual staff and teams at this time. Ultimately and in reality, as human beings, individual staff will have some absence due to sickness or require a medical operation in their working lives which, whilst inevitable, the levels of which can be and are managed through the Council's absence management strategy

7.4 Having taken the above into account, the Council is therefore proposing not to set individual departmental absence targets, but to set a single revised corporate target of 4.8 days (excluding leavers) per annum with effect from 1st January 2014. This will ensure a continued and sustained emphasis on driving down actual sickness absence levels across the Council which a) remain well below private sector averages and b) improves employee productivity to ensure value for money in Council tax for LBH&F residents at a time of unprecedented and fundamental organisation change for the Council

LOCAL GOVERNMENT ACT 2000
LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	CIPD Absence Report 2012	Debbie Morris, x3068	Room 142, Hammersmith Town Hall

Actions taken to reduce sickness absence in LBH&F in 2013

Action identified: Accurate, timely HR data provided: days lost by whom, whereabouts in organisation and reasons received by managers. Early intervention in absence cases including return to work interviews and formal assessments after 6 days absence in a rolling year

Delivered:

- Managers routinely enter employee absence directly onto the HR system and have access to a range of data to enable managers to effectively manage absence in their own areas.
- Targeted re-training for managers in areas of highest absence in the Managing Sickness Absence procedure to support the effective management of absence
- Regular 'bite size' training/refresher sessions in place for managers held regularly by HR to update and refresh knowledge and best practice. .
- It is now mandatory for a return to work discussion to take place between the manager and the employee who will complete the paperwork together. This will result in more accurate data being collected.

Action Identified: Production of meaningful reports for DMT's to enable departmental management teams to proactively assess and manage absence in their areas

Delivered:

- A monthly suite of reports provides managers with a departmental league table of highest and lowest absence in place. This enables departmental management teams to fully understand the cost of absence on their business areas and to reinforce departmental responsibility for absence management. Those managers identified as having not dealt with their sickness absence cases are counselled at their supervision 1-1 sessions.
- All managers able to run trigger and review reports themselves on a regular basis showing the sickness records for their staff to

enable them to effectively manage staff absence in a timely, proactive way.

- Leaders monitoring meetings have the headline figures on a monthly basis and address and debate any concerns.

Action Identified: Review of and communication of Managing Absence Policy – regularly. Highlight the impact of absence, the costs, loss of productivity etc. Identify the support that is available to staff (e.g. counselling service). Create a shared sense of ownership in tackling absenteeism.

Delivered:

- Managing Sickness Absence Policy reduced the trigger for formal review of absence in 2010 from 9 days to 6 days and from 5 days to 3 days in monitoring periods, thus ensuring managers are proactive and effective at tackling absence at a much earlier stage of the process than was previously the case.
- HR runs regular health initiatives via the Occupational Health Unit such as 'Stop Smoking', MOT days and 'Healthy Eating' Initiatives and works with the PCT to ensure maximum impact.
- Employee Assistance and Counselling scheme regularly communicated across the Council and which has a 24 hour hotline for staff who need emotional support. Face to face counselling sessions are also available and trained staff signpost employees to other specialist agencies as required

Action Identified: Promote a culture of attendance at all stages of employee life cycle: from recruitment information, through new starter's packs and induction programmes. Regular publicity by e.g. Message of the Day.

Delivered:

- New recruitment procedure in place to ensure previous absence is proactively identified and assessed prior to formal offers of employment being made.
- The culture of attendance is ingrained at the earliest opportunity. We are updating our corporate and departmental induction programmes on a Bi-borough basis with our colleagues in RBK&C to ensure all managers and staff are fully briefed on

commencement of employment of the standards required. In cases where attendance is not satisfactory at the outset of employment with the Council, an employee's probationary period will be extended automatically where there are attendance concerns prior to confirming or terminating employment during a probationary period.

Action Identified: Re-examine working patterns – the possibility of part time or more flexible working that enables an improved work/life balance.

Delivered:

- Individuals able to request part time, job share and flexible working via their line managers as part of an overall package of terms and conditions available to employees.

Action Identified: Continual focus on attendance, regularly reminding managers that their role is crucial in promoting an attendance culture and dealing promptly and fairly with absence when it recurs – importance of return to work interviews.

Delivered:

- A variety of initiatives help to reinforce messages. HR is monitoring that return to work interviews take place and will help embed good practice.
- Systems are now all in place for managers to work with HR to ensure that consistent, good practice is applied right across the authority.
- Return to work interviews are identified as the most common absence management tool used in the public sector and these have now become mandatory.
- Human Resources staff support those service areas with pockets of high sickness levels to ensure absence levels are pro-actively managed and reduced as part of a 'taskforce' approach.

MIND Training

MIND is the leading mental health charity in the UK and with its network of 185 local MIND Associations is the second largest provider of mental health services (after the NHS).

Hammersmith & Fulham MIND has spent the last 2 years delivering a programme that it feels could benefit mental health in the workplace - now expanded to our colleagues in RBK&C. One in four people experience mental ill health in the UK in any five year period. LBHF as a large employer recognises that Mental Health is an issue that does affect its staff.

The intervention programme consisted of bespoke training modules and tools geared towards LBHF's specific needs.

Modules which were rolled out across the Council included the following:-

- Understanding, identifying and working with mental health problems
- Mental health in the workplace (including advanced directives, 2parachute2 and managing employee sickness)
- Emotional intelligence including active listening and peer support.

The MIND initiative is now being reviewed and future changes will include training some manager and staff mental health 'champions' within departments who can advise/guide and run sessions on identifying and effectively handling mental health issues in the workplace.

TRI BOROUGH REVIEW OF OCCUPATIONAL HEALTH SERVICE

The Occupational health Service is critical in assisting the process of reducing sickness absence. We are currently jointly assessing the 3 Occupational Health services provided by Westminster City Council, Kensington and Chelsea and Hammersmith and Fulham to see whether efficiencies can be made to the services provided and to share good and excellent practice and implement this across the 3 boroughs.