Meeting: Policy & Resources Scrutiny Committee
Date: 6th December 2017
Subject: Sickness Absence Monitoring Report

Corporate sickness absence Performance Indicator

The Authority Performance Indicator (PI) for sickness absence measures the number of working days lost to sickness absence per full time equivalent (FTE) headcount per annum. The target set by Corporate Management Team for improvement for 2017/18 is 9.6 FTE.

In June 2017 the following departmental targets were agreed, which are aimed at supporting a reduction in sickness absence. These are monitored quarterly via Corporate Management Team (CMT) and Departmental Management Teams (DMT). The targets were calculated by reference to the average Full Time Equivalent (FTE) headcount figure and End of Year (EOY) results over the preceding 3 years less 5%:

Table 1: Departmental absence targets 2017/18

Department	2014/15	2015/16	**2016/17**	All 3 Years	**Target - 5%**
	FTE Days Lost by Average Employee FTE Headcount				
Chief Executives	7.3	5.4	**9.1**	7.2	**6.9**
Communities	11.2	12.4	**13.1**	12.2	**11.6**
Education & Children's	8.9	9.5	**10.1**	9.5	**9.0**
Environment	12.0	11.4	**11.8**	11.7	**11.2**
Corporate Services	6.9	7.2	**5.9**	6.7	**6.3**
Total	9.62	10.06	**10.76**	10.14	**9.63**

**Table 2: Departmental/Divisional/Section/School performance ranking Q2 2017/18**

Department	Average Employee FTE Headcount	Short Term Lost FTE Days	Long Term Lost FTE Days	Total Lost FTE Days	FTE Days Lost by Average Employee FTE Headcount	Rank	2016-17 Q2 Performance		2017-18 Target = 5% reduction over whole year (Q2 =whole year target /4 & seasonally adjusted)		
									Target	Q2 Target	On Target
Chief Executives	183.6	272.9	156.1	429.0	**2.3**	1	3.3	-1.0	6.3	2.6	Yes
Corporate Services	213.5	351.40	371.49	722.9	**3.4**	2	3.2	0.2	7.0	2.9	No
Regeneration & Policy	204.0	345.6	406.89	752.5	**3.7**	3	3.9	-0.2	6.7	2.8	No
Education & Children	3253.5	5214.20	7746.20	12960.4	**4.0**	4	4.1	-0.1	9.0	3.7	No
Communities	1311.0	2584.90	4426.60	7011.5	**5.3**	5	5.5	-0.2	11.6	4.8	No
Environment	886.5	1711.20	3445.80	5157.0	**5.8**	6	5.5	0.3	11.2	4.6	No
Authority Total	**6051.99**	10480.20	**16553.08**	**27033.28**	**4.47**		**4.55**	-0.08	9.63	4.0	No

Since targets have been set as detailed in Table 1, the Director of Regeneration & Policy has been appointed and data and targets recalculated to take account of 6 Department. The quarterly target has been calculated by simple division of annual target by 4 and seasonally adjusted for Q1 and Q2 as attendance figures are generally better during the spring and summer months. Performance indicates that one department is on target and five departments are off target against 2017/18 Q2 target. Compared to Q2 2016/17 performance has improved slightly within Corporate Services, Education & Children and Communities departments. Chief Executive's has reduced by 1 FTE compared to Q2 2016/17 and is within Q2 performance target.

As the agreed targets have been set to support a reduction against last year's performance by 5%, Q2 2017/18 result should ideally be lower across all departments, however recent management actions may not have had an opportunity to feed through into improved attendance levels and results.

The Q2 figure for the whole Authority of 4.47 is below the Q2 2016/17 result of 4.55 indicating a downward trend but above the Q2 target of 4.0 FTE day lost.

Table 3: Average number of days lost per FTE – whole Authority
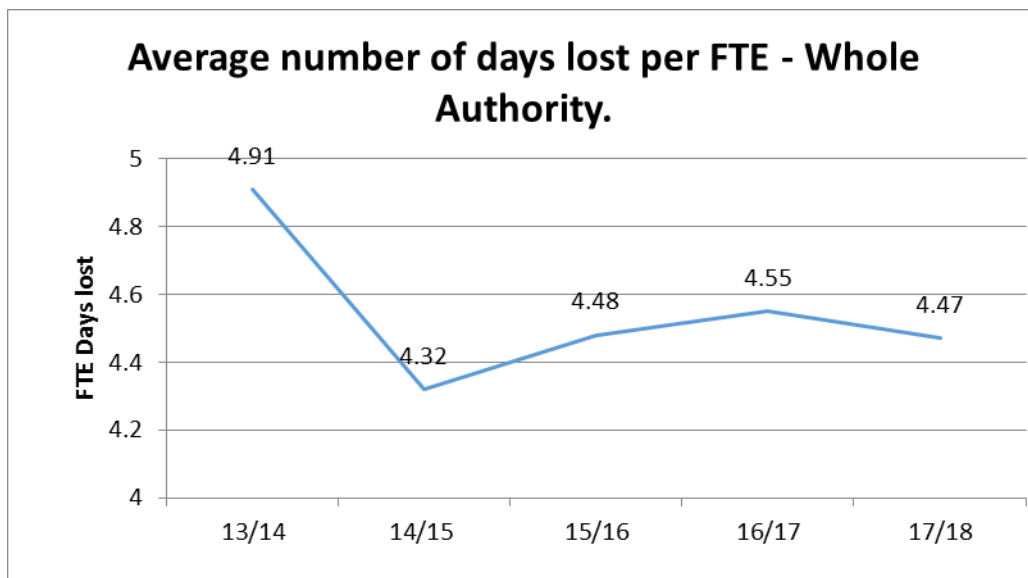
Following the launch of the revised Sickness Absence policy and targeted interventions funded via risk management there was a marked reduction in 2013/14. This has bounced back a little during 2015/16 and 2016/17 but it is encouraging that the Q2 2017/18 result is indicating a downward trend. People Management continues to provide support and advice to leaders and managers as outlined within the Attendance Management Framework

document presented at the Policy & Resources Scrutiny Committee development session on the 29th November 2017.

Table 4: Departmental Analysis
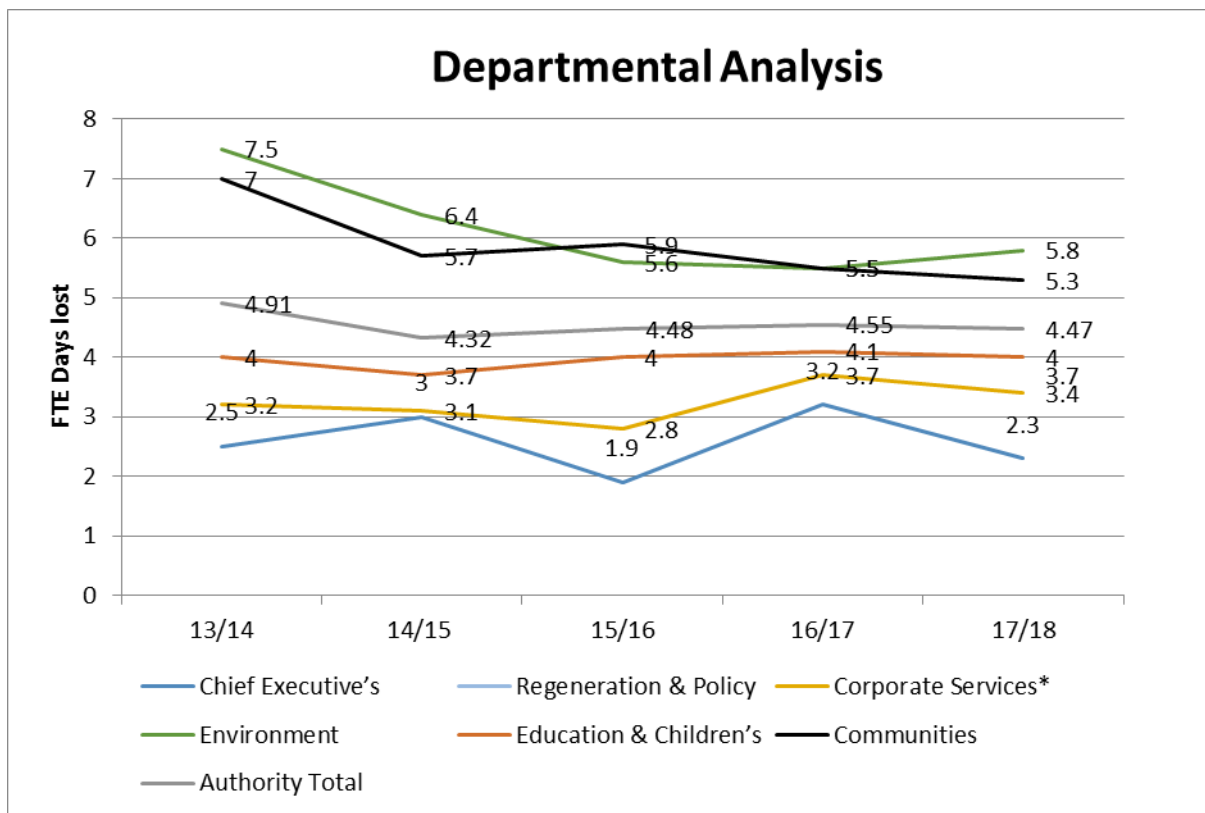
For illustrative purposes, during October 2017 the following number of employees were off sick (short term (ST) and long term (LT)). Northgate is currently developing the managers 'MyView' self-service page on the HR/Payroll system on our behalf to enable sickness absence policy compliance to be recorded and to enable the manager to record the dates the Employee Support Meeting, 1st, 2nd & 3rd Absence Review Meetings (ARM) have been conducted.

The number of employees dismissed on the grounds of capability (health) over the last three years is as follows:

	2015/16 EOY	2016/17 EOY	2017/18 Q1 & Q2
Total	70	59	34

Table 5: Causes of absence – whole year cumulative Q4 2016/17
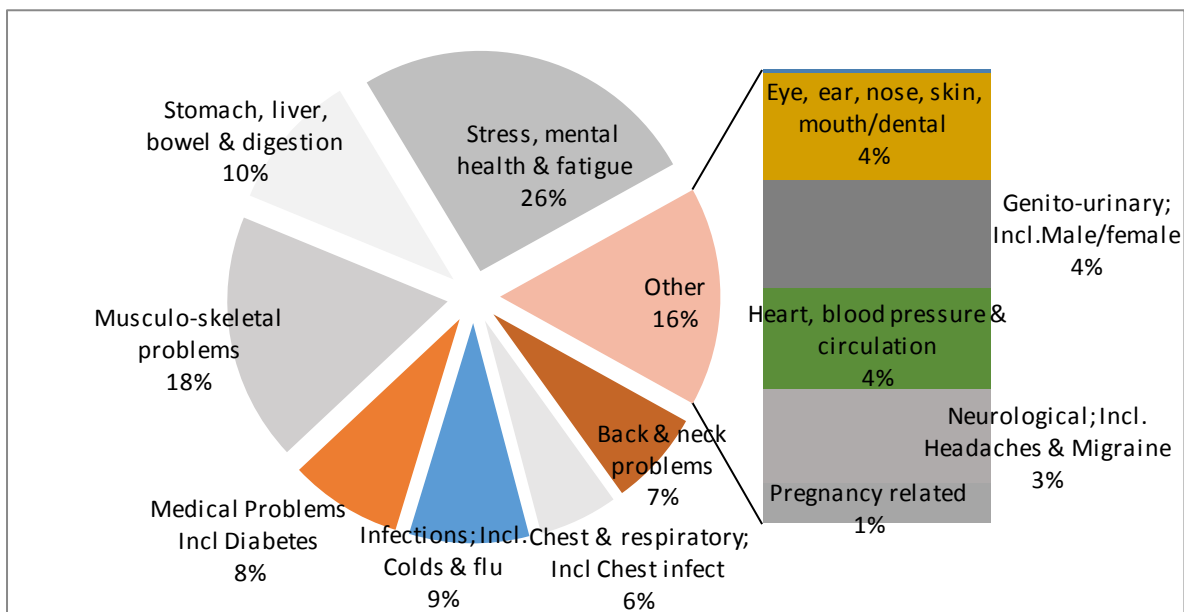
Stress, mental health & fatigue is the most common cause of absence within the authority (26%) followed by musculoskeletal problems (18%). Other reasons for absence are as detailed within the pie chart above and will vary from one reporting period due to seasonal variations, e.g. infections - including colds & flu (9%) and hence full year figures are provided.

Table 6: Employee Wellbeing appointment data

The table below indicates the number of employees being supported by the Employee Wellbeing Centre. Each employee will attend at least one appointment with either the Occupational Health Nurse or Clinician. Depending on the recommendations made, 53% will be offered further wellbeing support services via the centre such as counselling, cognitive behaviour therapy or post-traumatic stress therapy.

Number of Employees Supported by Occupational Health Unit				
	Number of Employees Attended Q2 Cumulative			
Department	**2014/15**	**2015/16**	**2016/17**	**2017/18**
Chief Executives	14	26	35	31
Corporate Services	31	25	43	26
Environment	311	268	316	328
Education & Children	165	200	223	256
Communities	254	229	254	255
Regeneration & Leisure	30	50	Moved to CEX	0
Regeneration & Policy	0	0	0	9
External	84	83	121	131
Total	**889**	**881**	**992**	**1036**

Table 7: Public sector comparisons

The figures below are derived from the Chartered Institute of Personnel and Development (CIPD) Annual Survey Report on Absence Management 2016.

Public Sector Comparators	Average days lost per employee per year 2016 (CIPD)	CCC 2016/17
Local Government	10.5	10.7
Central Government	10.9	10.7
Health	10.9	10.7
Care Services	11.3	10.7
Education	8.9	10.7

Table 8: Comparisons with other sectors

Within the published data there are sector and occupational differences illustrated. The table below attempts to match similar occupational groups to similar divisions and service areas within the Authority.

Private, public and non-profit sector comparators	Average days lost per employee per year (CIPD 2016)	Similar occupational group within CCC	End of Year 2016/17	Q2 2017/18
Care services/ Housing association	11.3 7.9	Housing and Public Protection (includes Care & Support)	14.9	6.2
IT services	4.0	Information Technology	17.5	3.1
Transport distribution & storage	7.8	Transport and Engineering	10.6	4.6
Hotels, catering and leisure	5.3	Strategic Development (inc. Catering) Leisure	12.4 11.8	5.7 5.3
Professional Services (accountancy, advertising, consultancy)	5.9	Finance People Management Admin & Law	6.1 6.1 3.8	2.9 2.1 1.8
Media (Broadcasting and Publishing)	4.4	Media and Marketing	11.4	8.1

Table 9: Comparative sickness absence performance indicator End of Year 2016/17

Carmarthenshire directly employs approximately 7,900 employees in a range of occupations including catering, cleaning, residential / domiciliary care, refuse and leisure services. In many of the local authorities listed below these services are <u>contracted outside of the authority</u> and therefore not included in the respective calculations. It should be noted that, according to benchmarking figures, these occupations generally have higher sickness absence rates either due to the physical nature of the work or being more susceptible to illness due to interaction with service users/customers.

It should also be noted that the actual make up of local government reported sickness figures can also vary considerably i.e. first 3 days removed, long term sickness removed; Carmarthenshire County Council include both.
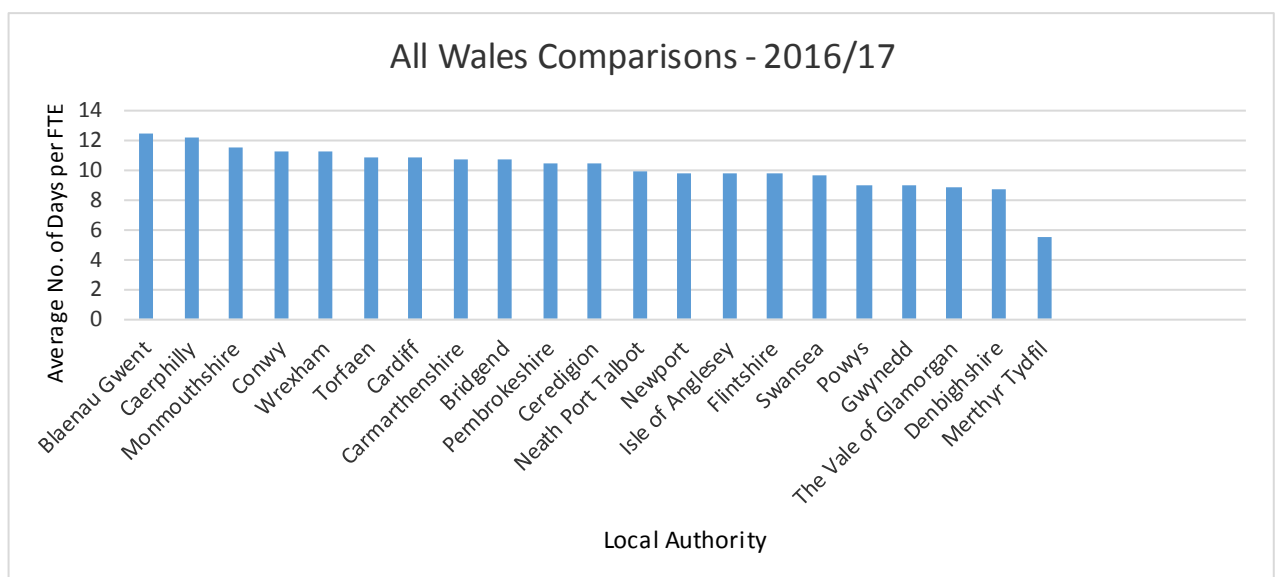
Table 10: Cost of Absence

The table below illustrates the cumulative cost of occupational sick pay for Q1 and Q2 since 2013/14. This excludes additional costs that may be incurred by divisions as a consequence in particular those delivering e.g. Overtime costs, agency costs; other replacement costs.

Including schools

Department	Occupational Sick Payments Quarters 1 & 2 comparisons				
	2013 / 2014	**2014 / 2015**	**2015 / 2016**	**2016 / 2017**	**2017 / 2018**
Chief Executive's	£59,757	£79,495	£52,498	£107,952	£50,065
Corporate Services	£91,538	£113,113	£77,583	£120,566	£47,486
Environment	£474,631	£410,810	£392,189	£374,154	£370,258
Education & Children*	£1,187,004	£1,180,435	£1,321,839	£1,349,346	£1,389,582
Communities	£697,506	£601,076	£760,562	£674,360	£663,960
Regeneration & Leisure	£139,469	£94,597	Part of Chief Executive's		
Regeneration & Policy	£0.00	£0.00	£0.00	£0.00	£67,718
Authority Total	**£2,649,905**	**£2,479,526**	**£2,604,671**	**£2,626,378**	**£2,589,069**

According to the CIPD Annual Absence Report 2016 the overall median cost of absence per employee is £522 across all employment sectors. This is considerably higher in public sector organisations at £835 per employee. For Carmarthenshire County Council the overall median cost of absence in 2016 is £422.92.

Effective Approaches to managing absence

CIPD Top 5 - short term absence:

1. Return to Work interviews

2. Trigger mechanisms to review attendance

3. Giving line managers primary responsibility for managing absence

4. Providing sickness absence data to leaders and line managers

5. Managers are trained in absence management

CIPD Top 5 - long term absence:

1. Occupational health involvement

2. Return to Work interviews

3. Trigger mechanisms to review attendance

4. Giving line managers primary responsibility for managing absence

5. Flexible working/changes to working patterns