ROTHERHAM BOROUGH COUNCIL
REPORT TO DEPUTY LEADER MEETING

1.	**Meeting:**	**Deputy Leader Meeting**
2.	**Date:**	**2nd September 2014**
3.	**Title:**	**Sickness Absence**
4.	**Directorate:**	**Chief Executive**

5. Summary

This report provides an overview of sickness absence in 2013-14

6. Recommendations

- **Note the sickness absence trend;**
- **Support more pro-active early physiotherapy referrals for musculo-skeletal conditions;**
- **Reminders to be issued to pro-actively review and manage their employees in respect of sickness absence in accordance with the Council Policy.**

7. Proposals and details

Background

Public sector sickness absence, on average 8.7 days, is quoted as being higher than that of the private sector average of 7.2 days (CIPD Simply Health Absence Survey 2013). For employers with over 5,000 employees this average increases to 9.2 days.

In 2013/14 for the first time in 5 years, our sickness absence outturn figure was higher than the previous year, with a reported 8.30 days per full time equivalent employee compared to 7.51 days in 2012/13. This mirrors the trend of increasing absence levels recorded across the majority of organisations.

Sickness absence levels in the Council continue to be measured in accordance with the former Gershon and Best Value Performance Indicator industry standards to ensure we have relevant and robust comparative data. Although sickness absence increased last year it should be noted that levels have fallen considerably from 13.9 days in 2002/3.

In 2012/13 our sickness figure benefited from there being two 'extra' Bank Holidays in the year, the Queen's Diamond Jubilee on 5th June 2012 and Good Friday on the 29th March 2013. Sickness occurring on such days is able to be discounted from the nationally prescribed calculation.

During 2012/13 17 schools, where sickness absence is traditionally low, also converted to Academy status during the year (now giving 23 in total) which had the effect of lowering the overall denominator used in the calculation and inflating the overall level of sickness absence in the rest of the Council.

If a comparable calculation had been made to factor in the same number of Bank Holidays and include the Schools which had converted to Academy status during the year, the sickness outturn would have been 7.75 days as opposed to the declared 8.30 days.

Analysis

Data on sickness absence is routinely analysed and benchmarked at a strategic level to identify 'hot' spots and inform corporate policy decisions.

In 2013/14 there were 10,465 separate recorded incidences of sickness absence. 4476 employees (40%) had no absence recorded during the year. The direct contractual occupational sickness costs paid to the employee while absent amounted to £6.9m (£3.9 of which was non Schools). Additional costs are felt from having to cover front line service posts in care, catering, often by additional hours from colleagues some at overtime (enhanced time and half) rates and create other indirect costs such as the service quality standards if the pressures are felt by colleagues covering the absent employee, especially if these are lengthier in nature.

In common with our trends over the last 10 years the main reasons for absence are Muscular Skeletal/ Back & Shoulder (28%), Stress (27%) and Infection & Virus (19%). Around two thirds of all absence is deemed Long Term (over 20 days) but only 1.5% (20% of long term) of absence lasts for more than 4 months (See Appendix 1). The types and length of absence are clearly occupation and condition dependent which are also significantly influenced by NHS treatment timescales.

The average length of absence was 3.05 days for short term and 48.56 for long term. Long term absence accounted for 8% of all occasions but accounted for 62% of all sick days.

A summary of year end sickness levels by Strategic Directorate is attached for information at Appendix 2. However colleagues may wish to visit the HR Portal to do more detailed self-analysis of their own Directorate / Service areas.

A summary of all sickness reasons by category is attached at Appendix 3.

Managers now have access to comprehensive real-time employee information via the HR Portal to enable them to manage their teams. They are also notified automatically by e-mail the moment one of their employees hits a sickness trigger point in order that appropriate action can be undertaken in accordance with the Council Policy. During the year out of 10,465 recorded incidence of absence 1699 trigger points were reached with 94% having actions recorded: -

- 6% resulted in absence dates being corrected;
- 6% had written warnings issued;
- 24 Ill Health terminations in the year (average lengths of absence of 216 days = 7 months);
- 6 Ill health retirements.

The number of terminations is comparable to those over the last few years down from a high of over 60 in 2007 however the average length of absence before this action was taken was 6 weeks longer last year. This could partly be attributable to longer appointment times for occupational health referrals which currently occur around 6 weeks after the request. Action is being taken to monitor this time lag and to advise earlier referrals where conditions might suggest this is appropriate. There were no Elected Member appeals as a result of these actions although one case went direct to Employment Tribunal costing £3,000.

Interventions

The Council has access to a range of support and processes to help employees and also for managers to manage sickness absence across their teams.

The Council has a partnership arrangement commissioned with Westfield Health including a 24 hour Helpline and support via an employee paid scheme administered through payroll for re-imbursement of regular treatment plans for a range of health issues such as eye and dental appointments etc.

Regular Health promotion events take place across the Council and at Riverside House. The linkages have now been strengthened by the TUPE transfer in to the Council of Public health colleagues in April 2013. This relationship is evolving to develop effective and joined-up campaigns that tie-in to the national and local priorities e.g. reducing smoking, alcohol and obesity.

In 2007 the Council introduced more direct action arrangements following a Regionally-funded RIEP project to provide early physiotherapy referral for musculo-skeletal conditions. This was impressively successful in reducing absence by 42% of sick days lost due to the condition in the Health & Wellbeing pilot area saving £379k for a cost to the Council of approximately £20,000. Continued funding of the scheme is now through individual referral charges to services. From a very successful start in 2008 the number of referrals has steadily declined to such a point that in 2013-14 despite there being 1587 (286 of which was long term) incidences of musculo-skeletal/back & shoulder cases recorded and 43% of these lasting over three months only 12 referrals were made to the external referral service at a cost of £2,520. Indications were reported that 90% of those referred returned to full duties earlier than would have been the case had they not attended.

This contrasts starkly with the practice for referrals as result of our second most common sickness reason of Stress, Anxiety and Depression. In 2013/14 there were 889 (278 of which was long term) incidences of stress absence recorded with 150 referrals to Counselling services (48 by schools) where employees had access to on average 5 sessions at a total cost of £36,627. Counselling services indicate the outcomes were that referrals resulted in being able to remain at work or return earlier than otherwise would have been the case.

Whilst we have information to indicate much of the cause is not work-related the issues are obviously brought into the workplace. The Council and work situations have a significant impact on the length of the average absence associated with these reasons. In this respect resources through Westfield 24 Hour Helpline (6 telephone sessions), comprehensive Intranet guidance and Healthier Lifestyle advice plus a direct referral to face to face counselling all form part of a comprehensive health and wellbeing support package.

The importance of good working relationships cannot be under-estimated as the support of colleagues, managers and the wider organisation perception during an absence can have a significant effect of the length of time an employee is absent and whether a return to work can be sustained into the longer term.

There are numerous case study examples where this intervention has been a significant factor in the employee returning and also having a positive impression of the organisation and manager as employer.

Recommendations

SLT are asked to recommend referrals to the early physiotherapy service for musculo skeletal conditions to assist employees to return to full fitness and return to work as soon as possible.

Managers are also asked to be tasked with pro-actively reviewing and managing their employees in respect of sickness absence in accordance with the Council Policy.

8. Financial Implications

The cost of contractual occupational sickness payments amounted to £6.9m in 2013/14.

Other costs apply through colleagues working additional hours to cover absent front line service colleagues and some will also be at enhanced overtime rates of time and a half which from 1st April 2014 attracts employer pension on cost of 19.5%.

Additional costs attributable to musculo-skeletal referrals would be expected to be offset by improved absence levels and earlier returns to work, thereby reducing agency cover or additional hours/overtime by colleagues.

Annual Occupational Health and Welfare Contract expenditure is £147k which works out at £12.49 per employee (CIPFA average expenditure £26.73).

The musculo skeletal project return on investment was £18 for every £1 spent.

9. Risks and uncertainties

Level of absence increases / Costs service delivery performance reduces

Pressures of work on colleagues

State run predominantly telephone-based Occupational Health Service commences operations due to launch later this year. Relationships with our own commissioned Occupational Health providers could lead to more complicated employee relations situations.

10. Policy and Performance Agenda Implications

Way we do Business: Right People, Right skills, right place, right time, reducing bureaucracy and getting better value for money.

11. Background papers and consultation

CIPD/Simply Health Absence Survey 2013
Management Information Reports
Rehab Works Musculo Skeletal Project

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