

Policy & Resources Scrutiny Committee

People Management: Sickness Absence Monitoring Report – End of Year 2017/18

14th June 2018

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People Management

Sickness Absence Performance Monitoring Report

End of Year 2017/18

Introduction

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

In June 2017 departmental targets were also agreed to support a reduction in sickness absence. Both the corporate and departmental targets are monitored half yearly via Corporate Management Team (CMT) and quarterly via 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%.

What has changed during 2017/18?

It is the responsibility of all DMTs to maintain a high profile on attendance management, monitor performance on a quarterly basis, to set clear expectations of all its managers to manage sickness absence proactively and to foster a working environment that encourages improved attendance from all employees.

From a corporate perspective People Management has focused its energies during 2017/18 on supporting in the following areas:

- Significant support to schools to support underperformance during 2016/17 in sickness absence management highlighted within Estyn's all Wales report 'Effective Management of School Workforce Attendance in primary schools' (January 2017) and reinforced by CCCs schools performance within all Wales benchmarking data;
- In collaboration with Corporate Services, launched the 'Schools' Staff Absence Scheme' (SSAS) to all primary schools on 1st April 2018 for a pilot period of 2 years. Most CCC schools purchased insurance policies through a range of insurance providers to cover the replacement costs of teaching, learning support and other staff absent from school.

The SSAS is an alternative means of providing schools with a cover for replacement costs but operates on the principles of mutuality and not for profit. Its main purpose is to raise funds from its members, ie. Primary schools, which can then be used to provide shared benefits and safeguards to scheme members and the Authority.

Contributions are pooled into a central fund rather than purchasing insurance policies with any net surpluses to be refunded to schools in future years.

The scheme is designed to support proactive attendance management practices in line with CCCs Model Schools' Attendance policies. The reliance on insurance policies to cover the cost of replacement cover was counterproductive to proactive attendance management. There was a disincentive for schools to follow absence management procedures as in many instances once an employee returned to work the insurance did not cover subsequent absence by the same employee for the same pre-existing condition.

60 CCC primary schools joined the scheme during 2017/18 and the remaining primary schools invited to join during the 2nd year of the pilot period.

- During this year People management has rolled out My View self service to enable schools to manage sickness absence interactively dispensing with paper processes thereby enabling schools to manage absence in a timely and effective manner.
- In collaboration with the Department of Education & Children delivered a Positive Attendance Management Conference in the Autumn 2017 to all CCC Head teachers and Chairs of Governing Bodies;
- Continuing to deliver its ongoing programme of attendance management development activities to all people managers including Head Teachers and Chairs of Governing Bodies, so each understands his/her responsibilities and how to manage sickness absence in line with model policies and procedures;

During 2017/18 the following have attended from schools:

Head teachers	42
Chairs of GBs	9
Other (Admin / Business Managers / Deputy Heads)	34
Total	85

- Providing clarity on roles, responsibilities and levels of accountability within the authority for the management of sickness absence and developing the 'Positive Attendance Management Framework' detailing all the corporate health and wellbeing initiatives and support available at a strategic, operational and individual level to improve attendance, as previously discussed with Policy & Resources Scrutiny Members at the two development sessions held 29th November 2017 and 26th January 2018;
- Establishment of the 'Challenge & Review (C&R) Attendance Forum', chaired by the Deputy Leader Cllr. Mair Stephens, to provide challenge and support to Heads of Service to maintain a high profile on attendance management and discuss performance in relation to sickness absence and what strategies the Head of Service has utilised to seek improvement. Cllr. Giles Morgan, as Chair of P&R Scrutiny

Committee has been invited to participate as a panel member during 2018/19 to develop stronger links with the committees work;

The following divisions whose performance was in the lowest quartile have attended the forum to discuss performance in relation to sickness absence:

- Waste and Environment, Environment
 - Information Technology, Chief Executive
 - Homes and Safer Communities, Community
 - Property, Environment
 - Strategic Development, Education & Children
- Provision of improved performance management information, benchmarking and ranking data, and summaries of main reasons for absence at an authority, departmental, divisional and team level, to inform CMT, DMTs and divisional Business Management Teams (BMTs) to enable improved performance monitoring;
 - Encouraging DMTs/BMTs to utilise the 'Self Reflection Questions Model' to identify areas of concerns and develop action plans for improvement;
 - On the 9th March 2018 the authority became one of the first Welsh Council's to sign the TUC charter aimed at supporting employees with a terminal illness. The key commitments of this charter are aimed at supporting employees that have received a terminal diagnosis:
 - We recognise that terminal illness requires support and understanding and not additional and unavoidable stress and worry;
 - Terminally ill workers will be secure in the knowledge that we will support them following their diagnosis and recognise that safe and reasonable work can help maintain dignity, offer a valuable distraction and can be therapeutic in itself;
 - We will provide our employees with the security of work, peace of mind and right to choose the best course of action for themselves and their families which helps them through this challenging period with dignity and without undue financial loss;
 - We support the TUC's Dying to Work Campaign so that all employees battling terminal illness have adequate employment protection and have their in service benefits protected for the loved ones they leave behind.

The charter is mainly about providing employees with informed choice in decisions about continuing to work if they are able to do so, ensuring reasonable adjustments are considered, signposting to our internal employee wellbeing support services and/or supporting them through the ill-health

retirement process and helping individuals understand the financial impact of Occupational Sick Pay, pension benefits etc so they can make an informed choice of how to live the remaining period of their lives with dignity and security.

- Maintaining CCCs accreditation as a Disability Confident Employer which provides a commitment to support disabled applicants and employees in gaining and maintain employment.

Has this made a difference?

Performance indicates that Corporate Services is the only department to have met the 2017/18 EOY target. As the agreed targets have been set to support a reduction against previous 3 year average performance by 5%, 2017/18 result should ideally be lower across all departments.

However the EOY figure for the whole Authority of 10.15 is below the 2016/17 result of 10.76. There has been a significant decrease of 0.6 FTE days lost by average employee FTE headcount indicating a downward trend unlike that of the previous 2 end of year figures (see Table 1).

Table 1: Departmental/Divisional/Section/School performance ranking Q4 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	Ranking	2016-17 Q4 Performance		Target	On Target?
Corporate Services	214.5	674.80	630.19	1305.0	6.1	1	5.9	0.2	6.3	Yes
Regeneration & Policy	202.1	862.55	707.50	1570.0	7.8	2	8.8	-1.0	6.7	No
Chief Executives	190.2	875.8	661.3	1537.1	8.1	3	9.5	-1.4	7.0	No
Education & Children	3266.8	14055.85	15790.2	29846.1	9.1	4	10.1	-1.0	9.0	No
Environment	895.7	3983.49	6958.20	10941.7	12.2	5	11.8	0.4	11.2	No
Communities	1325.7	6723.56	9937.40	16661.0	12.6	6	13.1	-0.5	11.6	No
Authority Total	6094.9	27176.1	34684.9	61860.9	10.15		10.76	-0.6	9.63	No

Table 2: 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 increased slightly during 2015/16 and 2016/17 but it is encouraging that the Q4 2017/18 result is indicating a continuing downward trend since last reported in at half year Q2 2017/18.

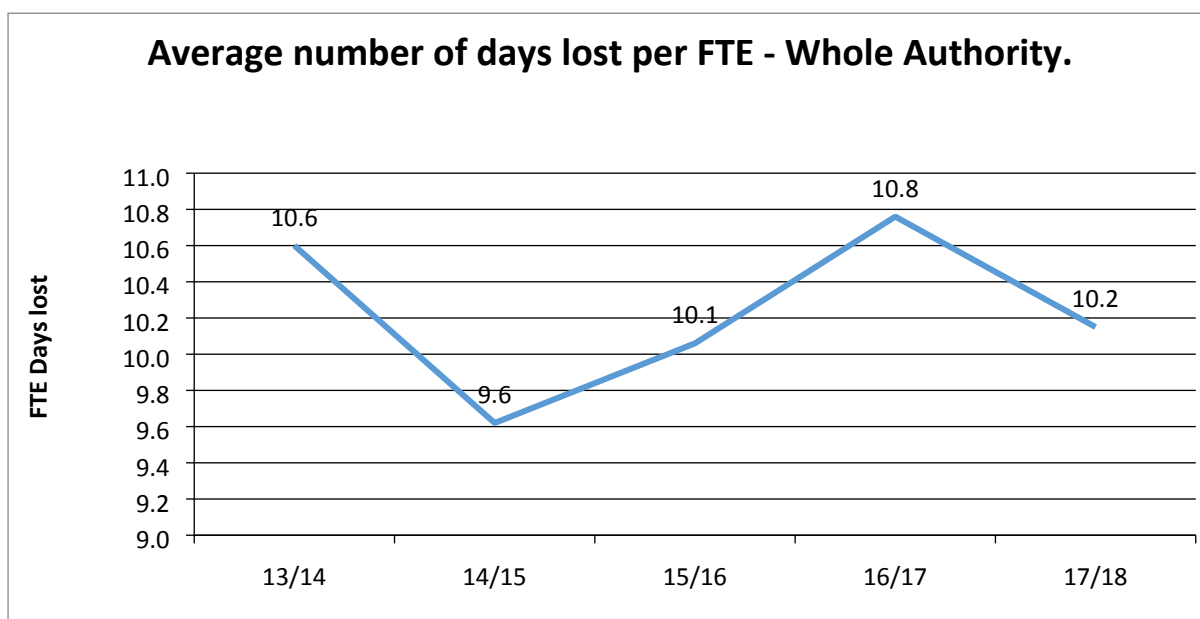


Table 3: Performance of Divisions that attended the C&R Attendance Forum

It is evident that where Heads of Service have been proactive and set clear expectations in relation to positive attendance management that improvements have been made. Whilst this forum has to date focused on those divisions where performance is in the lowest quartile, all Heads of Service need to ensure they maintain the profile of positive attendance management, set clear expectations with their managers and monitor consistency of application of the authority's Sickness Absence Policy and procedures. During 2018/19 the Chair of the C&R Attendance Forum will invite the remaining Heads of Service to attend to discuss divisional progress to ensure all services are contributing towards a reduction in the level of absence.

Department	Division	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	2016-17 Q4 FTE days lost by avg FTE Headcount	Difference
Chief Executives	Information Technology	65.2	326.11	317.00	643.1	9.9	17.5	-7.6
Environment	Property	291.2	1282.61	2180.00	3462.6	11.9	9.9	2.0
Education & Children	Strategic Development	206.1	882.54	1758.60	2641.1	12.8	12.4	0.4
Communities	Homes & Safer Communities	606.0	3274.21	5098.10	8372.3	13.8	14.9	-1.1
Environment	Waste & Environmental Services	185.0	1058.30	2036.70	3095.0	16.7	20.6	-3.9

[Table 4: Impact of targeted interventions to support schools in managing sickness absence](#)

The table below compares the performance of CCCs primary and secondary schools between 2016/17 and 2017/18. There is a reduction of 2 FTE days lost by average FTE headcount in the primary sector and 1.4 in the secondary sector which is a significant reduction. The People Management Division will continue to support schools during 2018/19 to secure continued improvement.

Division	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	2016-17 Q4 FTE days lost by avg FTE Headcount	Difference
Primary Schools	1317.2	4747.06	5819.70	10566.8	8.0	10	-2.0
Secondary Schools	1062.6	4972.54	4006.00	8978.5	8.4	9.8	-1.4

Since the launch of the Schools' Staff Absence Scheme and proactive interventions to support primary schools to manage sickness absence the following efficiencies have been evidenced within the primary sector:

- Reduction in the number of average Full Time Equivalent (FTE) days lost due to sickness absence from 13,962.9 in 2016/17 to 10,735.2 in 2017/18;
- Reduction in Occupational Sick Pay (OSP) costs from £1,405,505 in 2016/17 to £1,100,779 in 2017/18;
- Reduction in the average OSP paid per FTE from £1,064.25 in 2016/17 to £840.65 in 2017/18.
- Agency and supply costs have remained relatively static between the 2 years despite increasing employment costs

[Table 5: Departmental Analysis](#)

When departmental performance is compared to that of the previous year (Table 3) it can be seen that performance has improved the most within Chief Executive's Department where a reduction of 1.4 days has been achieved. In fact a significant reduction of at least a 1 day per FTE has been achieved in 3 departments. Year on year sickness absence rates have decreased in all but Environment and Corporate Services departments. (Corporate Services shows a year on year decline in performance despite achieving the target).

The divisions with the greatest variance (decrease - /increase +) compared to 2016/17 are:

- Information Technology, Chief Executive's (-7.6)
- Waste & Environmental Services, Environment (-3.9)
- Integrated Services, Communities (-2.6)
- Primary Schools, Education & Children's (-2.0)
- Secondary Schools, Education & Children's (-1.4)
- Business Support & Improvement, Communities (+5.5)
- Curriculum and Wellbeing, Education & Children's (+3.1)
- Special Schools, Education & Children (+3.0)
- Administration & Law (+2.7)
- Revenues and Financial Compliance (+2.6)

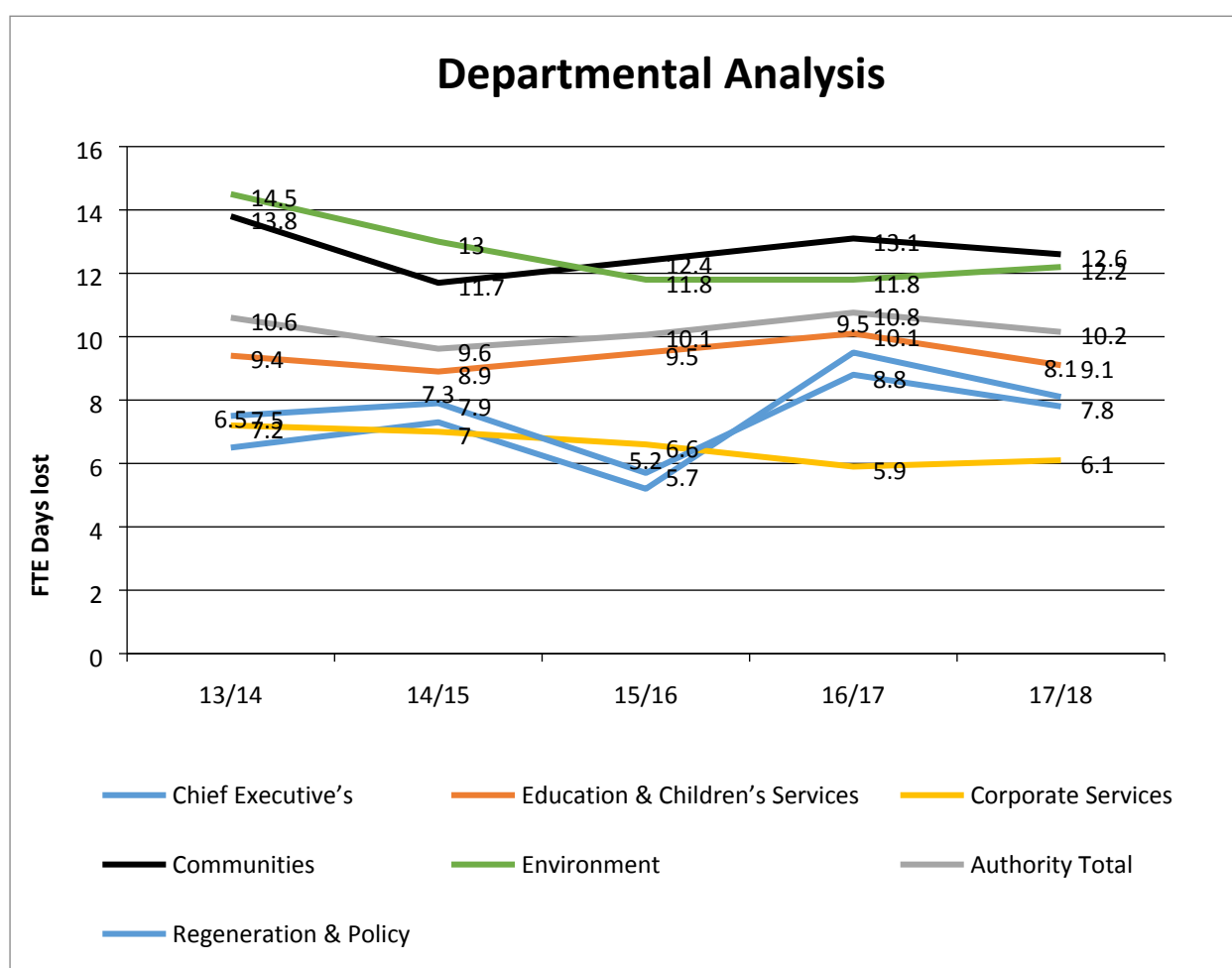


Table 6: Cost of Absence

The table below illustrates the cumulative cost of occupational sick pay for Q1 to Q4 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**

Occupational Sick Payments (OSP) Q4 cum			
Department	2015/16	2016/17	2017/18
Chief Executives	£108,456.24	£190,653.94	£166,562.56
Communities	£1,642,339.13	£1,613,819.38	£1,598,842.63
Corporate Services	£136,397.99	£117,062.49	£93,515.84
Education & Children	£3,357,268.50	£3,510,068.25	£3,144,098.50
Environment	£841,008.75	£830,328.38	£836,010.00
Regeneration & Policy	£127,323.83	£176,695.38	£147,354.73
Total	£6,212,794.43	£6,438,627.80	£5,986,384.27

[Table 7: 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, a proportion will be offered further wellbeing support services via the centre such as counselling, cognitive behaviour therapy or post-traumatic stress therapy.

As can be illustrated by the data below there has been a 20% increase in the number of referrals to the Employee wellbeing Centre.

Number of Employees Supported by Occupational Health Centre				
Department	Number of Employees Attended Q4 Cumulative			
	2014/15	2015/16	2016/17	2017/18
Chief Executives	47	69	85	91
Communities	686	711	654	653
Corporate Services	76	50	66	56
Environment	936	811	763	997
Education & Children	433	557	571	643
Regeneration & Policy	9	13	10	23
External	150	218	281	301
Total	2339	2429	2430	2764

[Table 8: Number of employees dismissed on the grounds of capability \(health\)](#)

Valuing our employees by supporting good health and wellbeing is one of the authority's core values. There is much research to demonstrate that attendance at work contributes to positive health and wellbeing. The authority aims to support its employees by providing a safe and healthy workplace and promoting a culture where regular attendance can be expected of all. Absence from work is unlikely to be a positive experience for the absent employee(s) or his / her colleagues, so the authority actively manages and supports those employees who experience ill health during their employment in line with its Sickness Absence Management policy.

However, there are occasions where an employee cannot be supported back to work to his/her substantive role or redeployed into suitable alternative employment due to the nature of the illness or condition and in such circumstances an employee will be dismissed on the grounds of capability (health). Table 4 below details the number of employees that have been dismissed on the grounds of capability (health) over the last three years:

	2015/16	2016/17	2017/18
	EOY	EOY	EOY
Total	70	59	69

Table 9: Causes of absence – whole year cumulative Q4 2017/18

Stress, mental health & fatigue is the most common cause of absence within the authority (25%) followed by musculoskeletal problems (20%). 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 (11%).

Whilst stress, mental health & fatigue is the main cause of absence within CCC and an area of significant concern, the level of absence for this reason is comparable with other public sector organisations including health, education and civil service.

This is the main corporate priority area that People Management will be supporting during 2018/19 by:

- Undertaking a 'heat map' of the organisation and identifying service areas/teams where levels of stress, mental health & fatigue is of most concern;
- Undertaking further analysis work within these service areas/teams to understand the main causes utilising the Health & Safety Executive's 'Management Standard Approach';
- Identifying actions and resources to address the current position and set milestones for improvement.

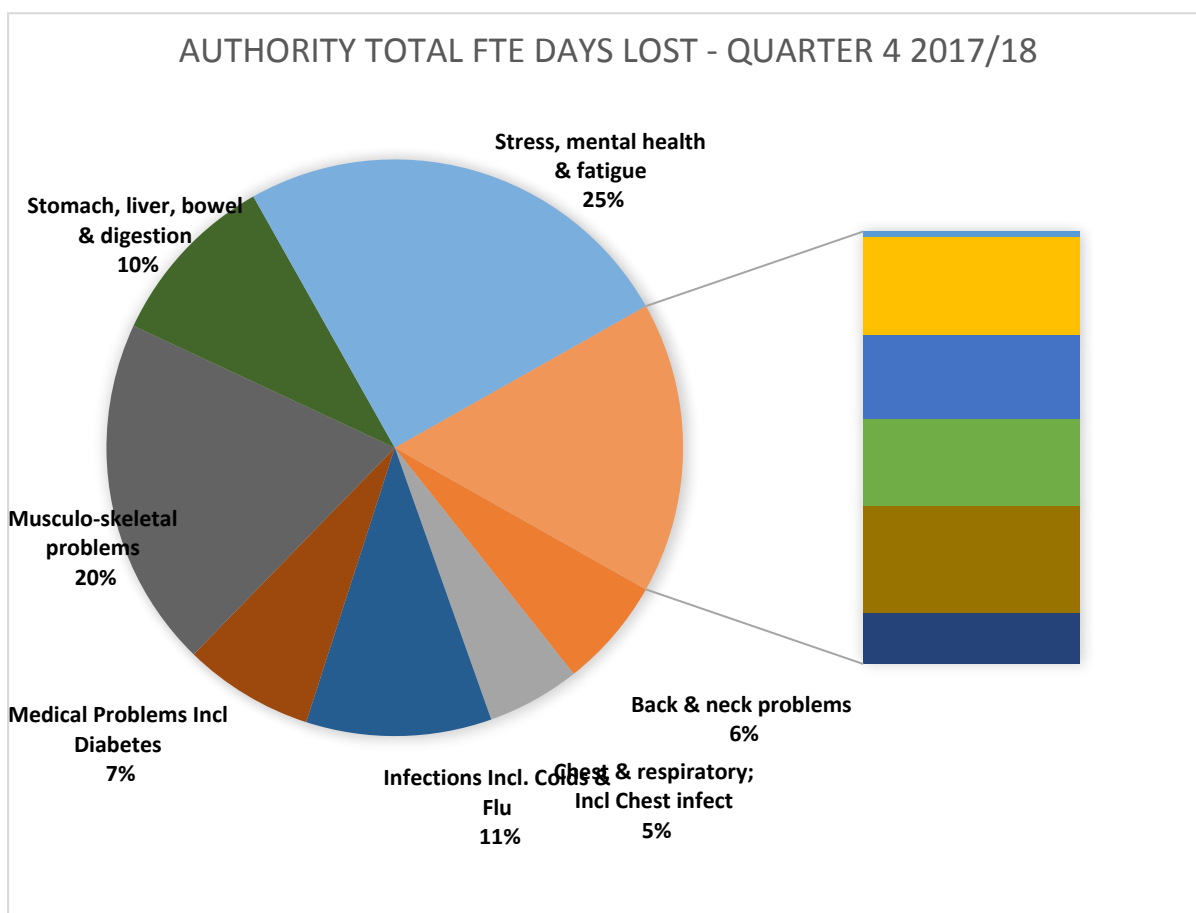


Table 10: Sector comparisons

The benchmarking figures below are derived from the results of a health and wellbeing survey conducted by the Chartered Institute of Personnel and Development (CIPD). The survey was completed by 1,021 respondents in November 2017 from manufacturing and production, private sector, public services and voluntary, community and not-for-profit organisations.

Public Sector Comparators	No. of responses	Average days lost per employee per year 2017 (CIPD)	CCC 2017/18
Public Services	231	8.5	10.15
Non-profit sector	131	7.3	10.15
Manufacturing and production	150	6.2	10.15
Private sector	509	5.6	10.15

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	Similar occupational group within CCC	End of Year 2017/18
Care services/ Housing association	11.3 7.9	Homes and Safer Communities (includes Care & Support)	13.8
IT services	4.0	Information Technology	9.9
Transport distribution & storage	7.8	Transport and Engineering	10.6
Hotels, catering and leisure	5.3	Strategic Development (includes Catering) Leisure	12.8 10.6
Professional Services (accountancy, advertising, consultancy)	5.9	Finance Revenues & Compliance People Management Admin & Law	5.0 7.2 7.6 6.5
Media (Broadcasting and Publishing)	4.4	Media and Marketing	13.2

Table 11: Comparative sickness absence performance indicator

Carmarthenshire directly employs approximately 7,990 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 contracted outside of the authority 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.

All Wales Comparative benchmarking data for 2017/18 is published once audited in September 2018. Comparisons of unaudited end of year results shared by Welsh Authorities indicate that Carmarthenshire has improved its ranking position from 14th to 12th and is now median in the table compared to 3rd quartile at end of year in 2016/17. CCC performance against 2017/18 comparisons will be reflected in the half year progress report to P&R Scrutiny committee later in the year.