
Sickness Absence - update

Purpose of the Report

1. To monitor the Council's progress in tackling sickness absence, updating the Committee on the 2018/19 outturn sickness absence figures,
2. To facilitate ongoing monitoring of the action plan developed following a review by the Association of Public Service Excellence (APSE) in October 2017.

Structure of the Papers

3. To assist Members' preparation for the scrutiny as described above papers attached to this cover report are as follows:

Appendix 1: Sickness Data

Slide 1: Outturn FTE days lost per employee 2018/19

Slide 2: Cumulative sickness FTE days lost per employee
2013/14 – 2018/19

Slide 3: Proportion of total sickness recorded by reason for
absence 2018/19

Appendix 2: Cardiff's Employee Attendance & Wellbeing Policy

summary leaflet. A quick reference to the key elements of the Council's Attendance and Wellbeing Policy.

Appendix 3: Action Plan for Sickness Absence. Following publication of the APSE review in October 2017, HR services developed an action plan. Each recommendation has been assigned actions and identifies lead officers/bodies. This document will enable

the committee to monitor activity to address sickness absence since January 2018.

Appendix 4: Correspondence following the previous scrutiny.

- a. The Committees letter capturing its concerns, comments and recommendations following its previous update in September 2018. Members are referred to page 4 of the letter for a quick reference list of issues raised with the Cabinet.
- b. The Cabinet response to Committee addressing all issues raised.

Background

4. A central feature of this Committee's Terms of Reference is the scrutiny and review of the effectiveness of the Council's use of human resources policies and procedures. The Committee has continued its interest in monitoring sickness absence levels on its 2018/19 work programme, and this will be the second progress monitoring update since Members undertook a short scrutiny in January 2018.
5. As part of its short scrutiny in January 2018, the Committee received a presentation on the review in progress to address the upward trend in FTE days lost per employee. This was set within an all Wales context, with the attendance of WLGA, and considered the findings of the in depth review undertaken by APSE in October 2017.
6. In September 2018 the Cabinet Member, Finance, Modernisation & Performance and the Chief Human Resources Officer responded to the Committee's short scrutiny by returning to Committee to report on progress in implementing the action plan.
7. Following this scrutiny Members agreed to continue progress monitoring, and particularly looked forward to more health and safety information informing sickness reporting over the next 6 months.

Issues

8. Members are aware that the Council's Capital Ambition policy programme establishes the Cabinet's key priorities, focussing on four main Ambition areas, which form the basis for the Corporate Plan 2019-22: Working for Cardiff; Working for Wales; Working for the Future; and Working for Public Services.
9. The Corporate Plan 2019-22 states within the Working for Public Services priority that the Council is committed to investing in its workforce. "*The award-winning programme of staff engagement is supported by a package of measures designed to promote their welfare, which includes a range of health and well-being services such as the 24/7 Employee Assistance Programme and an Employee Counselling Service.*" It also make clear that "*more needs to be done to reduce the number of sickness absences which remain too high across the Council.*" The Plan contains an objective to **improve the health and well-being of our employees** by reducing sickness absence through continued monitoring, compliance and support for employees and managers. This objective is supported by a Key Performance Measure "The number of working days/shifts per full-time equivalent (FTE) local authority employee lost due to sickness absence". The target for 2019/20 is 9.5 days.
10. At **Appendix 1** are 3 key slides that will form part of the presentation to Members at Committee. **Slide 1** illustrates that the Council's six Directorates are set an annual target for sickness absence, bespoke to their circumstances and previous year's sickness levels. The two right hand columns of the table provide key analysis of the difference between the target and actual sickness for 2018/19. **Slide 2** enables a comparison of quarterly patterns of sickness over the past six years, and **slide 3** analyses the percentage of total sickness by reason for absence.
11. At the outturn of 2015/16 the Council's sickness absence levels had fallen to a low of 9.56FTE days per employee per annum. Over the following three years to

date sickness has increased to the current level of 11.53FTE. The target set for 2018/19 was 9.50 FTE days sickness per person.

Year	Outturn
2015/16	9.56
2016/17	10.77
2017/18	11.27
2018/19	11.53

12. Performance at Quarters 1 and 2 2018/19 for this key indicator was encouraging.

There were early signs that the action plan was making an impact. The outturn is therefore greater than forecast throughout 2018/19.

13. Members may recall that in its report regarding the Council's sickness APSE had concluded:

- The increase in overall sickness rates in 2016/17 is predominately due to an increase in long-term sickness.
- Some occupational groups are disproportionately likely to take time off sick.
- Teachers' absence represents the highest number of days lost because they are the largest proportion of the workforce. Nonetheless, even a 1% reduction in absence levels would be a significant benefit to the overall absence levels.
- Grade 4 and 5 workers, who make up 31% of the workforce, account for 38% of days lost and would be a sensible point for drilling down into sickness absence. The occupational groups represented by these grades include refuse collectors, homecare workers, teaching assistants, school catering staff and enforcement officers.
- APSE Performance Networks benchmarking data shows conclusively that manual and front-line staff are more likely to take time off sick than non-manual and back office workers.

- APSE information looking at the absence trends in English authorities following the onset of austerity indicates that recent reductions in Welsh council budgets should not be expected to fuel an automatic increase in absence.
- The Sickness absence policy framework needs fine-tuning but is not the problem.
- Some specific changes to process can emphasise the importance of good management decision making
- Early intervention and support is critical to head off stress and muscular skeletal reasons for absence
- Free up Occupational Health time and resources to use where they will make a difference
- Ensure that initiatives are accessible and relevant to all workforce.
- Multi-disciplinary case work is essential

14. There followed a targeted response to directly address the above in the form of an Action Plan, attached at **Appendix 3**. A broad range of initiatives was proposed, for example, bespoke support for Managers and Head Teachers; additional sickness absence training on policy and procedure; a focus on compliance; early intervention work with key staff groups; signposting of the Council's Well-being Directory to outside agencies; changing the policy language from warnings to improvement notice; reviewing the policy of referral to occupational health; providing more information to school governors; further support to Managers in respect of long term sickness cases and case management approach generally; further research into preventative measures and good practice by other Local Authorities.

Previous Scrutiny

15. Following its September 2018 progress update the Committee offered several suggestions for improvement in their letter to the Cabinet Member Finance, Modernisation and Improvement, to which a prompt reply

indicated work is underway on many of the Committees concerns. The correspondence exchange can be found at **Appendix 4**.

16. Members recommended that in all schools sickness absence became a standing item on Governing Body agendas. Consequently, in addition to sending quarterly benchmarked data reports to the Chair of Governors and Head Teacher of each school, for discussion at the next governing body meeting, clerks to the governing body have been requested to ensure sickness absence is included on the agenda. The Committee also urged continued development work on monitoring schools' application of the Council's sickness absence policy.

17. Members considered it would be useful to see the sickness absence data for Education presented without the catering service. This has already been an area of focus for the Education Directorate and an action plan has been developed for the catering service.

18. The Committee requested a more detailed comparison of best practice with Merthyr Tydfil Council, which will be reported at this Committee.

19. Members felt strongly that there was value in the Council recording '*work related*' back and muscular-skeletal sickness absence figures. The Chief Officer Human Resources agreed to discuss the suggestion further with the Council's Health & Safety manager.

20. The Committee expressed an interest in the sickness absence figures for service areas that hold vacant posts. The Chief Officer agreed to explore this further, informing Members that Health & Safety colleagues were reviewing stress risk assessments across Directorates, which would be used to inform preventative interventions and support for staff in reducing stress in the workplace.

Way Forward

20. To facilitate this scrutiny of sickness absence attendance will comprise:

- a. Councillor Chris Weaver, Cabinet Member Finance, Modernisation & Performance, with portfolio responsibility for human resources.
- b. Philip Lenz, Chief Human Resources Officer.
- c. Anita Batten, Operational Manager, HR People Partner
- d. Gaynor Collins, Occupational Health Manager

21. Members will receive a presentation from Philip Lenz followed by an opportunity for questions to the panel.

Legal Implications

22. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

23. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this

report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

Recommendations

24. The Committee is recommended to:

- a) Consider the evidence presented, and agree whether it wishes to report its comments and observations in a letter to the Cabinet.
- b) Consider how it wishes to continue monitoring progress in tackling sickness absence on its 2019/20 work programme.

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6 June 2019