

**All-Wales Local Authority Sickness  
Absence Benchmarking Research  
Project  
Report on Findings**

FINAL DRAFT

## **1.0 Introduction**

- 1.1 In January 2015 Bridgend County Borough Council (BCBC) sought financial support from the Welsh Local Government Association (WLGA) for an all Wales local government research project to identify the key aspects of policy, process and practice that leads to the successful management of sickness absence.
- 1.2 This report outlines the key findings of that research and is supported by a comprehensive compendium of current policy, practice and performance from local authorities in Wales. It focuses on the processes and practices of the six top performing Councils in Wales and experiences from these councils and elsewhere in the UK. The compendium is intended for internal use only and permission has not been given to its publication at this point.

## **2.0 Background**

- 2.1 Managing levels of sickness absence is important for every organisation because a healthy workforce is a productive workforce. Data shows that sickness absence rates are higher in the public sector than the private sector and there appear to be a number of factors which may be driving this, including differences in human resources policies, procedures, practices and cultures.
- 2.2 The majority of local government employees in Wales are able to attend work regularly, but like all organisations councils have some sickness absence within their workforce. Over a number of years councils across Wales have been striving to reduce their rates of sickness absence and they have had some, albeit limited, success. In 2008-09 the average rate across Welsh local government was 11.5 days per Full Time Equivalent (FTE) employee and this fell to 9.9 in 2014-15. But in 2014-15 local government in Wales still lagged behind the private sector and the UK public sector rate which have 5.8 and 8.7 days per FTE respectively.
- 2.3 High rates of sickness absence remain a cause for concern for councils for a number of reasons. High levels of sickness lead to reduced productivity and efficiency and are impacting on the quality, quantity and timing of the services councils provide. In some cases sickness absence cannot be absorbed by the rest of the workforce and temporary cover is required bringing with it a cash cost. High rates of sickness absence may also be a sign of low morale and/or an unhealthy organisational culture.
- 2.4 Over the last few years local government has seen a lot of change with a greater emphasis on improving performance with fewer resources whilst continuing to provide a good service to the public. As such it is more important than ever that we strive to maximise the health, wellbeing and productivity of our workforce.
- 2.5 Effective absence management is about creating an organisational culture within which there is an appropriate balance of support to employees who are

genuinely unwell with the consistent and firm action needed for those who are less conscientious to ensure that services are effectively maintained.

### **3.0 Research Methodology and Scope**

3.1 All twenty two councils across Wales were invited to participate in this research project which was conducted by Neath Port Talbot County Borough Council (NPT) and comprised data gathering of policies and the completion of surveys which sought information on:

- Comparison of Policy and Practice
- Composition of Workforce to enable better comparison
- The costs of absence
- Wellbeing Initiatives
- Occupational Health Resources and Practice
- Training Initiatives
- Other initiatives to support the maximising of attendance at work

3.2 Twenty councils responded to the survey.

3.3 As well as considering practices across Wales, the WLGA Workforce Adviser undertook desktop research into practices across the rest of the UK.

3.4 The research project team, comprising of officers from Bridgend County Borough Council and NPT, has reviewed sickness absence management across all council functions and the data gathered therefore includes school based staff. The specific management of sickness absence in schools has not been considered as part of this research project.

### **4.0 Sickness absence across the UK**

4.1 When considering the performance, policy and practice of Welsh local authorities it is worth considering the wider public and private sector and other local authority regions in England. While there are a range of research documents and reports on sickness absence most tend to concentrate on past performance around data and trends. There is some information on causation, but very little on the specific practice of managing absence that could be labelled as best practice. As such the following section highlights some recent reports that can help councils to identify areas for further consideration recognising that direct comparisons between sectors may be difficult. Links to the full research are contained in Appendix 5.

### **Performance**

4.2 Across the UK there has been a downward trend in sickness absence rates for both men and women since 1993 with men consistently having a lower sickness absence rate than women. Absence has also fallen for all age groups since 1993 but has fallen least for those aged 65 and over. There are

lower sickness absence rates in the private sector, but the gap with the public sector has narrowed over the past twenty years.

- 4.3 The 16<sup>th</sup> annual CIPD absence management survey<sup>1</sup> undertaken in July 2015 shows that the average level of employee absence across all sectors has increased from 6.6 days per employee to 6.9 days in the last year. There is wide variation within and between sectors with the average public sector absence running at 8.7 days compared to 7.9 days last year.
- 4.4 The CIPD survey trend data also shows that levels of absence tend to be higher in larger organisations, regardless of sector and on average manual workers have 1.5 more days' absence per year than non-manual workers.
- 4.5 At a regional level in local government, evidence from the East of England Region survey for 2014-15 shows an average days lost per FTE was 8.43 days, compared to 9.9 in Welsh local government.
- 4.6 Published sickness absence data for the NHS in Wales<sup>2</sup> shows a sickness absence rate of 5.6% for 2014 and a range of 3.7% to 8.3%. To compare this to local government in Wales it is necessary to translate the percentage into average number of days per FTE employee. Assuming an annual working year of 240 days 5.6% would equate to 13.4 days per FTE, with a range of 8.9 to 19.9 days per FTE). The NHS in England has an average sickness rate of 4.25 per cent in 2014-15 (equivalent to 10.5 days per FTE).

### **Reasons for sickness absence**

- 4.7 The 2015 CIPD survey (based on responses from nearly 600 organisations across the UK) shows that across all sectors minor illness continues to be the most common cause of short term absence, followed by musculoskeletal injuries, back pain and stress. The most common causes of long-term absence are acute medical conditions, stress, musculoskeletal injuries, mental ill-health and back pain. The survey suggests that stress, mental ill-health and musculoskeletal injuries are more likely to be in the top five causes of short and long-term absence in the public sector than the private sector.
- 4.8 These statistics are borne out by the East of England survey which identified minor illnesses as the major cause of short term absence, with the most common cause of long term sickness absence being “stress, depression, anxiety, mental health and fatigue”.
- 4.9 Half of the public sector respondents to the CIPD survey report that stress-related absence in their organisation has increased over the past year with workload cited as the most common cause of stress, followed by non-work relationships/family, management style and relationships at work. Organisational change/restructuring continues to be a more common cause of

---

<sup>1</sup> <http://www.cipd.co.uk/research/absence-management-survey.aspx>

<sup>2</sup> <https://statswales.wales.gov.uk/Catalogue/Health-and-Social-Care/NHS-Staff/Sickness-Absence/percentageabsent-by-organisation-dates>

stress in public sector organisations than elsewhere and CIPD suggests that further public spending cuts mean this is likely to be an ongoing issue. Public sector organisations are more likely to take steps to identify and reduce stress in the workplace than private sector but despite this stress related absence is increasing. The most common methods used to reduce stress are staff surveys, flexible working and risk assessments. Half of respondents invested in training for line managers to identify and manage stress in their team, but fewer offer stress management training for the whole workforce or training aimed at building personal resilience.

- 4.10 40% of all respondents to the CIPD survey reported an increase in mental health problems (such as anxiety and depression) among employees in the past year, but especially larger organisations. There has been a small increase in those providing training to help managers to spot early warning signs, to signpost employees to support and to be able to talk to employees about mental health issues. Counselling, flexible working and improving work-life balance are commonly used methods to support employees with mental health problems.

### **Practice**

- 4.11 The 2015 CIPD survey confirms that the vast majority of organisations have a written absence/attendance management policy and collect absence data which they use to identify problems so they can take action to address these. Like the previous year, the most common change in approach in 2015 has been a greater focus on developing line manager capability to manage absence. Introducing or revising monitoring procedures was also among the most common changes organisations have made.
- 4.12 Organisations report return-to-work interviews and trigger mechanisms to review attendance as being the most effective methods of managing short-term absence. For long term absence management return-to-work interviews are also the most common method, followed by occupational health involvement (ranked one of the most effective mechanisms for managing long term absence), the provision of sickness absence information to line managers, risk assessments to aid return to work, trigger mechanisms to review attendance and flexible working.
- 4.13 Public sector organisations are more likely than private sector organisations to use flexible working and special leave for family circumstances which may account for the fact they have less instances of illegitimate absence as a cause of absence than the private sector.
- 4.14 The CIPD survey found that organisations that have a target for reducing absence are significantly more proactive in managing absence and they are more likely to use methods to monitor and discourage absence, as well as promote health and facilitate rehabilitation. In addition organisations that managed absence through promoting health and well-being were more likely to achieve their targets than those that did not.

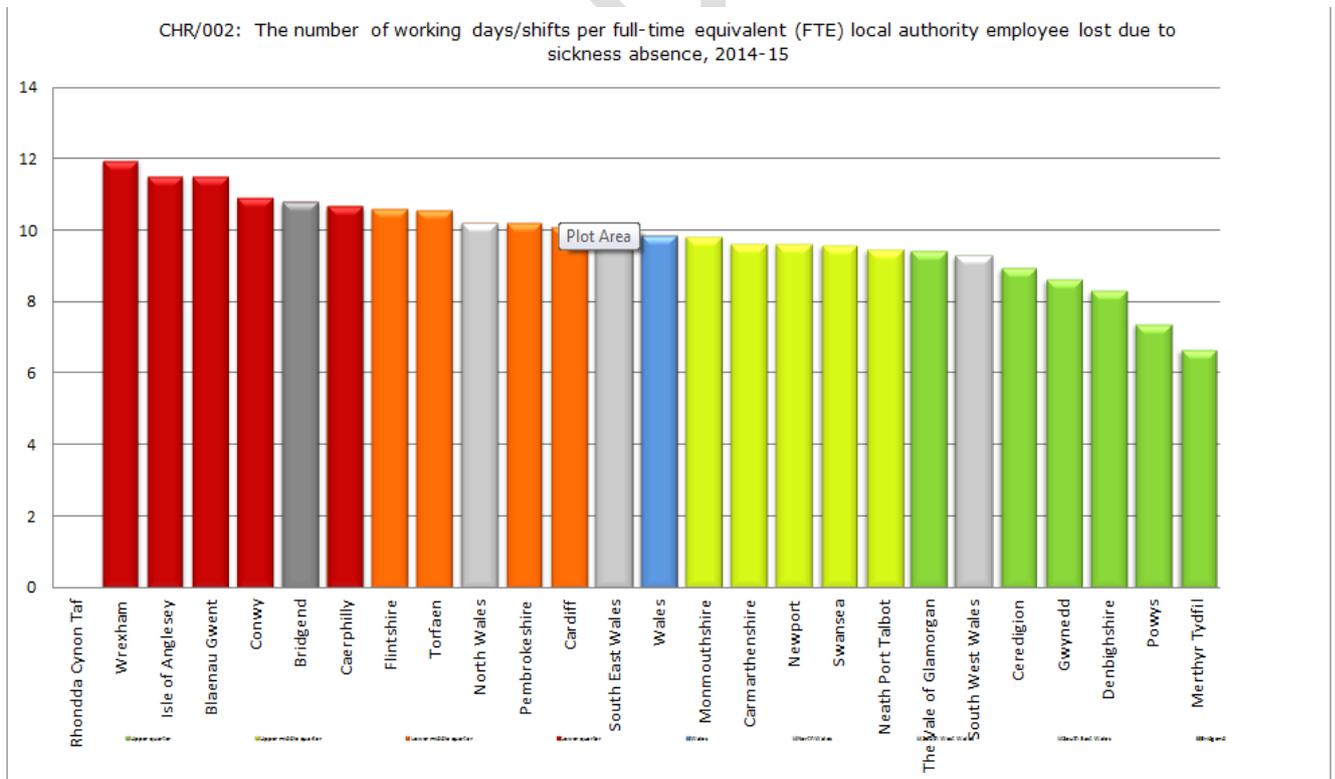
4.15 The East of England survey showed that councils there have made changes in how they tackle sickness absence, by for example:

- Improving sickness data given to managers
- Quarterly absence review panels with the heads of service
- Reduced/ Reassessed sickness trigger points
- Improved line manager training regarding sickness absence and stress management
- Early intervention referrals for stress and musculoskeletal problems
- Employee Assistance Programmes and health and Well-being Campaigns – Flu Jabs, Yoga, Counselling, Positive Mind initiatives.
- Introduction of Mental Health First Aiders

**5.0 Sickness Absence across Local Government in Wales**

5.1 Sickness absence rates across the twenty two local authorities in Wales have reduced since 2008, at an average high of 11.5 FTE days per employee in 2008-09, to 9.9 FTE days per employee in 2014-15. The average UK public sector sickness absence rate is 8.7 days. This shows that the public sector in Wales' sickness absence rate is 1.2 days higher than the UK average.

5.2 The table below shows the average number of working days that were lost per FTE across local government in Wales in 2014-15.



5.3 The table below shows the average number of working days that were lost per FTE across local government in Wales each year since 2012-13.

	Sickness absence: Average working days lost per FTE			
	2012-13	2013-14	2014-15	% change Since 2012-13
Merthyr Tydfil	6.1	6.9	6.7	-10.40%
Powys	9.1	6.6	7.4	18.70%
Denbighshire	9.0	8.5	8.3	7.80%
Gwynedd	No data supplied		8.6	
Ceredigion	No data supplied		8.9	
Neath Port Talbot	9.6	12.7	9.4	2.10%
The Vale of Glamorgan	7.8	8.8	9.4	-20.50%
Carmarthenshire	10.8	10.6	9.6	11.10%
Swansea	11.4	9.0	9.6	15.80%
Newport	9.3	9.1	9.6	-3.20%
Monmouthshire	11.9	11.4	9.8	17.60%
Cardiff	11.7	10.2	10.1	13.70%
Pembrokeshire	11.7	9.2	10.2	12.80%
Flintshire	11.0	10.7	10.6	3.60%
Torfaen	11.6	11.4	10.6	8.60%
Caerphilly	10.6	12.1	10.7	0.90%
Bridgend	10.5	10.2	10.8	-2.80%
Conwy	10.2	9.8	10.9	-6.70%
Isle of Anglesey	14.5	12.4	11.5	20.70%
Blaenau Gwent	9.0		11.5	-27.80%
Wrexham	9.9	11.6	11.9	-20.20%
Rhondda Cynon Taf	8.3	No data supplied		
<b>Wales</b>	<b>10.3</b>	<b>10.1</b>	<b>9.9</b>	<b>3.90%</b>

5.4 The data above shows that sickness absence rate for Welsh local government improved by 3.9% or 0.4 days per FTE since 2012-13. However, of the nineteen councils which have comparable data twelve show an improved position while seven show a reduction in performance in that time. The councils highlighted in blue are the six that had the lowest sickness rates in 2014-15. Those shown in green show the three councils with the most improved performance since 2012-13 and those in red the three councils which have seen the greatest increase in sickness levels in that period. Details of the practices and processes of the six top performing councils are detailed in Appendix 1.

5.5 Unfortunately data is not available to explain the key reasons for sickness across Welsh local government in 2014-15 as absence reasons were not collected for that year. In 2013-14 the key reasons for short term absence were “infections” (19%) followed by “stomach/liver/kidney” (17%). The key reasons for long term absence were: “stress and mental health” (30%)

followed by “musculoskeletal” (28%). These causes are consistent with the CIPD national survey results.

- 5.6 Fifteen respondents to the project survey identified Social Services, including Residential and Domiciliary Care, as one of the departments with the highest level of sickness absence. Other common hotspots included the former “manual” workforce in Environment, Waste and Highways departments, with five councils also reporting high absence figures in Education and Schools departments.
- 5.7 Whilst the responses to the survey suggest there is no clear correlation between the outsourcing of services and sustained improved performance in sickness absence levels, it is worthy of note that both Merthyr and Powys, the two best performing Councils in 2014-15, have outsourced their domiciliary care services. On average absence rates are lower (8.9 FTE) in councils that have indicated that a proportion of their social services department has been outsourced.

## **6.0 Terms and Conditions**

- 6.1. The sickness scheme for the majority of local government employees is set out in the National Joint Council (NJC) for Local Government Service National Agreement or Green Book, Part 2. The scheme is intended to supplement statutory sick pay in order to maintain normal pay during periods of absence. Employees’ entitlement to sick pay will form part of their contract of employment and is connected to their length of service.
- 6.3 Under NJC terms and conditions, the entitlement to sick pay is calculated on a rolling 12 month period (as distinct from Teachers’ terms and conditions where the entitlement is calculated for each financial year).
- 6.4 A confidential survey amongst the 10 regional Employers’ Organisations in England and Wales showed that just a handful of over 370 authorities have made changes to Part 2 terms and conditions on sickness absence. These varied in both type and size of authority. Details of the changes that have been made were not available at the time of presenting this report and as such there is no information on the impact these changes may be having.
- 6.5 In Wales the three recognised Trade Unions (Unison, GMB and Unite) have all made it clear that they are not willing to negotiate over Part 2 terms and conditions. Against that background such changes are not considered in this report and none of the authorities surveyed have made any variations to this scheme.

## **7.0 Sickness absence policies and process**

- 7.1 From the policy documents provided by the twenty Councils who participated in the project, it is apparent that there are a number of consistent approaches across Wales. Formal policies are, more often than not, supplemented by “Guidelines” for managers to assist in their management of absence. All

policies incorporate a three stage process of warnings and an appeal procedure.

- 7.2 Sixteen respondents have policies which deal separately with short and long term processes, including notably five out of the top six performing authorities. While practice does vary, Most commonly, HR and Occupational Health advice and support is available to assist in the management of longer term absences.
- 7.3 All but two of the 20 respondents use trigger points to manage short term or recurrent absence. Only one of these Councils utilise the Bradford factor approach to identify absence reviews, whilst other Councils all use variations on number of absences over 6-12month periods, number of days over period or discernible pattern of absence. The two Councils who do not have formal trigger points do use absence patterns/levels to inform absence review meetings, although these are not prescribed triggers. Out of the top six performing authorities five have formal trigger points and one uses informal trigger points, not specified in the policy.
- 7.4 All Councils surveyed use Occupational Health services and offer counselling services to their employees. The nature of these services vary between in house and external provision, self or manager referral. All except for one Council offer paid time off to attend counselling sessions, although the majority limit this to 6 sessions before reviewing further attendance
- 7.5 The top six performing authorities all have specific information within their policies and processes to ensure regular communication between the manager/employee. Five of the six top performing authorities have set timescales within their policy/processes which assists them in managing sickness absence.
- 7.6 Whilst there are areas of common practice across Wales, there is also evidence of enhanced practices which appear to positively impact upon absence levels;

#### *Short Term Absence*

- 7.7 One Council (Merthyr) stipulate that employees must contact their line manager on each of the first 5 days of absence and then maintain contact as appropriate, but at least weekly for the duration of the absence.
- 7.8 The 2 best performing councils require employees to personally complete a Self-certification form to cover any absences lasting up to 7days. Completion of the Self Certification process represents compliance with the absence process – non-compliance can result in non-payment of occupational sick pay.
- 7.9 One Council's policy gives managers the option to prevent employees from self-certifying for future absences as one outcome of an absence review meeting.

#### *Long Term Absence*

- 7.10 There are a number of examples of Councils operating automatic immediate Occupational Health referrals for stress and/or MSD absences. Both regional and national absence surveys commonly show that Stress and MSD

absences account for the highest number of days lost and automatic referrals may assist in the timely resolution of absences.

- 7.11 The two top performing Councils have implemented an absence review meeting for any absence that lasts for more than 3 months. The purpose of the meeting is to agree a plan for the resolution of the absence with the employee offered the opportunity to; identify a return to work date; apply for redeployment; or offer their resignation/agree mutual termination. The process allows for the Council to instigate disciplinary proceedings should the employee refuse to participate in the absence review process.
- 7.12 A number of Councils are reporting improvements in absence management by increasing HR input and operating a case management approach to long term sickness cases. Although the approach does not reduce the number of long term absences, evidence suggests a reduction in the average length of absence.

## **8.0 Managers' views on sickness absence management**

8.1 Managers within each local authority were also surveyed as part of the project and were asked to identify and rank the top three criteria they considered to be most critical to managing sickness absence. The criteria they were provided with were:-

- Training
- Return to Work Interview
- Early intervention
- Occupational Health Unit advice
- Trade Union involvement
- Counselling service
- Elected member scrutiny
- Sickness data monitoring reports
- Senior management support
- HR advice and support
- Policy and Procedure
- Communication with employee
- Consistency of approach
- Fairness in decision making
- Line manager intervention
- Other – please state

8.2 A total of 56 managers responded to this survey and the numbers of employees they managed varied from 4 employees to 750 employees. These managers were responsible for a diverse range of areas within each local authority so were a representative sample. The processes that the majority of managers considered to be most critical to managing sickness absence (rated as their number 1 preference) were:-

- Communication with employee
- Early intervention
- Policy and Procedure
- Return to Work Interview
- Sickness data monitoring reports
- Training

8.3 In addition to the above, the managers were also asked if there was anything else that would help them to manage sickness absence which is not currently available. A total of 14 managers responded to this question. Three managers suggested the non-payment of sick pay for the first three days, with one manager suggesting to pay only statutory sick pay for the first week of absence. Full details of all the responses are provided in Appendix 2.

## **9.0 Role of Occupational Health**

9.1 Councils required the services of an independent Occupational Health provider when dealing with sickness absence cases which are classified as ill-health retirements [at whatever level]. This enables the Council to be assured that access to the LGPS is in compliance with the regulations, constituting an appropriate use of public money.

9.2 In dealing with all other absence cases Councils may choose whether or not to employ an in-house service or buy-in a service. The research clearly confirms that there is no correlation between where the provision of Occupational Health is sourced or invested and its impact on sickness absence levels

9.3 Some form of service will always be necessary to ensure, eg that where health surveillance is required these employees are properly monitored and referred, the Council's duty of care is satisfied, eg in complex rehabilitation plans.

9.4 Counselling or Employee Assistance programmes are generally sourced externally as the market now offers a range of 24/7 services providing a guaranteed and consistent level of expertise and service at a low unit cost. There is no evidence that these accelerate an employee's return to work

9.5 A small number of Councils manage long term sickness cases by means of a "case conference" where in attendance are the employee (and TU representative if required), the line manager, HR and the Occupational Health practitioner.

9.6 Where there is a more formal approach to providing information to the Occupational Health practitioner, line managers register a high satisfaction rating of that service than where arrangements are more casual.

## **10.0 Health and Wellbeing initiatives**

10.1 Only nine of the twenty councils surveyed indicated that they promote at least one health and wellbeing initiative. The majority of these initiatives are run in

partnership with the Local Health Board or Occupational Health providers. Two authorities have established Corporate Health Groups who oversee the events.

- 10.2 The nature of Health and Wellbeing initiatives is varied, with examples of Councils focusing on mental health and wellbeing, through workshops and awareness sessions, and physical health through health checks, physiotherapy and exercise referrals.
- 10.3 All Councils who have referred to Health and Wellbeing initiatives offer staff paid time off to attend events that have been promoted corporately.
- 10.4 Whilst no Council has specifically linked health and wellbeing initiatives to improved sickness absence figures, one Council in the upper quartile has identified wellbeing initiatives, including quarterly themes on Women's and Men's health, as one of the most effective processes in managing sickness absence.

## **11.0 Training**

- 11.1 Eighteen councils responded to the survey question regarding the provision of sickness absence training. With one exception, all are providing training to managers, however, the scope and range of this varies considerably.
- 11.2 Where training is provided, this is undertaken in all cases, on a face to face basis with e-learning also provided by six councils and in one completion is mandatory. Powys the second best performing council provides training via a video link.
- 11.3 The nature of the face to face training differs in terms of identification of need and timing of provision. In addition to the standard absence training, provision includes:
  - staff briefings undertaken or training implemented when a new policy was launched
  - refresher training and informal coaching
  - induction training and quarterly training
  - generic people management skills training and specific absence management training where there is a perceived need
- 11.4 The training is mandatory in two councils, Powys and Swansea, while Wrexham intend to implement on this basis when they amend their policy. Other arrangements are generally demand led.
- 11.5 With the exception of one council (Bridgend), where the training compliments other face to face training on people management skills, all provision is delivered in house, although another council (Conwy) has used an external provider to meet demand. Only 10 councils specified how the in house training was facilitated, namely 7 by HR, 1 HR and Training and 2 by Corporate Training.

11.6 The data collected is limited and may not necessarily provide the range of relevant training available. There is no data available on the learning outcomes and therefore it is not known whether the training is policy based or has a focus on equipping managers with wider people management skills to manage difficult situations.

## **12.0 Sickness absence data**

12.1 The collection and dissemination of sickness absence data is useful to help identify 'hotspots' in the organisation where certain issues are prevalent and take action to address these. It can also be used to inform well-being activities and to help understand the cost and productivity of the workforce. Sickness absence data can also inform workforce planning and can be combined with other information such as staff surveys to enable managers to explore trends and issues.

12.2 Welsh councils also provide sickness absence data to the Welsh Government and the Local Government Data Unit in the form of 'The number of working days/shifts per full time equivalent (FTE) local authority employee lost due to sickness absence (including teachers)'. This is a national indicator for 2015-16 and the majority of authorities surveyed have confirmed they report internally on FTEs (19) while one uses headcount. Data consistency is a common concern that emerges when discussing data comparisons, but seventeen respondents confirmed that their data included industrial injury and maternity related absence. Only two authorities do not include industrial injury and one authority does not include maternity related absence.

12.3 The value of sickness absence data is recognised across Welsh local government and all responding authorities provide sickness absence data to their managers. The type and frequency of this data varies as is the way it is collected and there is no standardised approach. Two of the top six report to Member Scrutiny Boards and demonstrate how they are going to implement improvements.

## **13.0 Sickness absence improvement measures**

13.1 The survey identified a number of examples of councils trying different methods in an effort to reduce sickness absence rates, including:

- Introduction of a Cognitive Behaviour Therapy online 7 step counselling support therapy process. Included with this is an absence line for employees and managers managed by 'Carefirst'. Appointments for physiotherapy and muscular skeletal conditions are provided on the day
- Attendance at Work Procedure to be launched to schools
- Review of Policy
- Case management of long term sickness by HR Officers x 2 authorities and review of Policy if absence doesn't reduce
- Work closely with schools to reflect practice in place corporately
- Launch an absence management system to create a 12 month benchmark and centralise HR
- Change in sickness reporting for refuse service

- Purchase OH nurse provision to supplement in house OH provision to speed up assessment
- Provision of private sector referrals for diagnosis or treatment where NHS waiting list exists, subject to business cases
- Central team to monitor triggers and send letters to employees to achieve consistency
- Review policy and forms, targeting high levels of absence and being braver about decision making
- HR Officer recruited to contact every employee on the third day of absence. Task and finish group to be set up to look at other initiatives
- Profile each service area, use a strengths questionnaire to map this back to Job Evaluation
- Introduce an additional annual leave purchase scheme
- Health and wellbeing events. Workshops with Academy Wales which focus on wellbeing at work, motivation and engagement

#### **14.0 Conclusion**

- 16.1 There is evidence to show that local government in Wales is working hard to reduce its rates of sickness absence and it is following the broad trend of an overall reduction in sickness absence across the UK workforce as a whole. However, on average Welsh Councils' performance in 2014 was not as strong as than the private sector or the public sector across the UK as a whole. While comparisons with councils in East of England region paint a similar picture the average performance of the Welsh and English NHS appears weaker than Welsh local government.
- 16.2 Stress and mental health problems continue to be a common cause of long term sickness absence across all sectors, but the CIPD survey suggests that half of all public sector respondents had seen an increase in stress related absence in the last year. This chimes with situation in Welsh local government. Similarly in line with the CIPD results, Welsh respondents identified higher absence rates within the manual workforce. Fifteen of the nineteen respondents also identified social services as a sickness absence hot spot, particularly for residential and domiciliary care services. Interestingly the two best performing councils have outsourced the latter.
- 16.3 The sickness absence trend data across Wales when combined with the research findings shows that while organisations are continually introducing new ways to try and reduce sickness absence levels, not all of them have the same impact. The reasons for this are not clear, but may relate to the particular combination of mechanisms in place, the effectiveness of training for managers, a natural increase in genuine cases and/or the culture of the organisation. The research also suggests that organisations need to keep trying new approaches to avoid sickness rates plateauing.
- 16.4 Looking at practices, both the CIPD survey and the national research project found that return to work interviews and trigger mechanisms are deemed to be effective mechanisms in the management of sickness absence, with occupational health involvement being important in the management of long term cases. Set timescales for communication between manager and employee and formal trigger points for interventions were apparent in five of the

six top performing councils. In addition, the introduction of return to work planning meetings involving the employee, the manager, HR and occupational health appears to be having a positive impact on sickness absence rates. Increased HR input and case management also appear to be having a positive effect in some councils.

- 16.5 All councils have some level of counselling service and occupational health support, but there is no evidence to suggest that a particular delivery model (ie internal/external) gives better results. Occupational Health Services provide important information in managing sickness absence and while the type of service varies within the top six performing councils, there is a consistent message that regular discussions and timely advice and support assist greatly in managing long term sickness absence. Moreover more formal approaches register a higher satisfaction rating with managers than more casual arrangements.
- 16.6 Seventeen councils reported providing training for managers in managing sickness absence and the CIPD survey suggested that developing line manager capability was the most common change in approach for organisations in 2015. The training being provided by Welsh councils varies widely both in content and delivery and is an area worthy of further consideration recognising that line manager capability is key to successful sickness absence management. Training in respect of managing stress and mental health problems appears to be an area for particular focus.
- 16.7 The CIPD survey shows that organisations place different levels of importance on the well-being of their employees, but those that seek to enhance well-being appear to be more likely to achieve their sickness absence targets. Only nine Welsh Council respondents indicated that they promote health and well-being initiatives and the majority of these do so in partnership with the Local Health Board or Occupation Health providers. Interestingly no respondents claimed that well-being initiatives had driven down sickness absence levels and only one of the six top performing Councils has identified having initiatives in place. As such, this may be an area for further exploration.
- 16.7 This report seeks to help councils in their ongoing mission to reduce sickness absence. However, the research clearly shows that what works in one Council does not necessarily work in another, depending on culture, employee relations, resources available, etc. So while a number of areas for possible exploration have been identified, there is no silver bullet. Against that background, a detailed compendium of the research findings for all respondents is provided to enable HR Directors to follow up with key contacts on actions of interest and to encourage information sharing and learning across Wales. This report and appendices will not provide all the answers, but rather signpost areas for further investigation and consideration.

## Sickness absence management in six Welsh councils with lowest absence rate in 2014-15

<b>Local Authority</b>	Merthyr Tydfil
<b>PI Value</b>	6.7
<b>FTE Employees</b>	2065.70
<b>Highest area/s of sickness absence</b>	<ul style="list-style-type: none"> <li>• Children's Services/Family Centres</li> <li>• Accommodation /Residential Care</li> </ul>
<b>Services Not in House</b>	Home Care
<b>The role of OHU</b>	<ul style="list-style-type: none"> <li>• Joint role of Lead OHA / HR Officer</li> <li>• External OHA</li> <li>• Lead OHA in regular contact with manager and external OHA.</li> </ul>

1. Short term and long term absence are dealt with separately within the Policy.
2. There are triggers within the Policy.
3. For short term absence employees are required to contact their manager every day to provide an update. After 7 days of absence, the employee/manager will agree a contact method and contact will be made once a week, followed by a welfare visit, if required.
4. For employees who have been absent for 4 months, a meeting is convened and their continued employment reviewed. In the majority of cases where a return to work is not realised, employees will agree 'mutual termination' or face dismissal by 6 months (usually at 4 months).
5. Managers are expected to examine the regular information provided to them on individual staff sickness records. Non-compliance by the supervisor / manager to record the sickness absence, keep in contact or refer to Occupational Health could result in a disciplinary investigation against the supervisor / manager.
6. Referrals made for stress and muscular/skeletal cases after 4 weeks.
7. The main processes identified for managing sickness absence successfully:- keeping in touch, RTW interviews, OH advice.

<b>Local Authority</b>	Powys
<b>PI Value</b>	7.4
<b>FTE Employees</b>	5220.70
<b>Highest area/s of sickness absence</b>	Social Services
<b>Services Not in House</b>	Domiciliary Care
<b>The role of OHU</b>	<ul style="list-style-type: none"> <li>• External OH service</li> <li>• Initial assessment by telephone before referral made</li> <li>• Contact between Mgr/OHU</li> </ul>

1. Short term and long term absence are dealt with separately within the Policy.
2. There are triggers within the Policy.
3. Manager / employee to retain regular contact during the period of the absence. For long term absence (over 28 days) employees informed that they are able to take annual leave. Fortnightly contact to take place by an agreed method of communication. Welfare visits to take place every 6 weeks. Throughout the first 5 months of any absence managers will make efforts to facilitate and support a return to work (where medical evidence demonstrates this is acceptable).
4. At 6 months or as soon after, when the necessary medical information is received either an action plan to return to work is agreed or an ill health capability hearing will be arranged to consider the absence. Consideration will be given to potential redeployment options or making reasonable adjustments required to facilitate a return, where appropriate.
5. Automatic referral after 4 weeks of sickness absence. Managers refer and employees can self-refer. Employees self-refer for counselling.
6. The main processes identified for managing sickness absence successfully:- triggers, clarity of the process, data, increased accountability spot checks on cases.
7. Going forward a review will be taking place of the Policy and the associated forms and paperwork.

<b>Local Authority</b>	Denbighshire
<b>PI Value</b>	8.3
<b>FTE Employees</b>	3831.00
<b>Highest area/s of sickness absence</b>	<ul style="list-style-type: none"> <li>• Social Services - Children and</li> <li>• Adults Highways and Environment</li> </ul>
<b>Services Not in House</b>	None
<b>The role of OHU</b>	<ul style="list-style-type: none"> <li>• In House OH Service</li> <li>• Have own counsellors via a contracted service provider.</li> </ul>

1. The Policy does not differentiate between long and short term absence. There are triggers within the Policy.
2. When an employee rings in to notify their sickness absence, if the manager is not available to the employee, the employee should expect a return call from the manager to seek further understanding of the absence. Employees are expected to make and maintain regular contact for the duration of the absence with their manager. Failure or refusal to maintain this contact and or the provision of any supporting documentation if requested is considered a conduct issue and may result in disciplinary processes being taken.
3. Once a trigger point is hit and a minimum of 1 Informal Attendance Capability Review Meeting has been carried out then a first formal Absence Capability Meeting is held to review the employee's level of sickness absence, determine if there is an underlying cause, examine what actions have been taken to date to reduce their level of sickness absence, ascertain the nature of current absence for those off sick in the process and if and when they are likely to return to work and If appropriate, issue the employee with a warning and alter them to the consequences if their level of sickness absence does not improve. Also at this stage decisions are made after considering evidence provided on whether to issue formal warning or confirm no further action. This is put in writing to the employee and includes set targets and monitoring period and the right of appeal. The same process applies for a second Formal Absence Capability Meeting. At the third Formal Absence Capability Meeting, carried out by the Head of Service, again all options are conducted to see if there is an improvement, redeployment options, extension of stage 2 for a determined period, or the end of absence process - no further action at this time or dismissal on grounds of capability absence related.
4. Managers have ready access to absence data on their teams through the Absence Dashboard and ITrent in order for them to review sickness absence within their area.
5. Managers refer employees for counselling. Managers refer employees to OH after 4 weeks or more sickness absence. For stress and muscular/skeletal issues, an immediate referral takes place.
6. The main processes identified for managing sickness absence successfully:- triggers, regular contact between manager/employee and advice from OH.

Going forward the Attendance at Work Policy is going to be rolled out to schools.

<b>Local Authority</b>	Gwynedd
<b>PI Value</b>	8.6
<b>FTE Employees</b>	5189.60
<b>Highest area/s of sickness absence</b>	<ul style="list-style-type: none"> <li>• Residential Care</li> <li>• Home Care</li> <li>• Leisure</li> <li>• Refuse</li> </ul>
<b>Services Not in House</b>	None
<b>The role of OHU</b>	<ul style="list-style-type: none"> <li>• In house OH Service</li> <li>• Medra used for Counselling</li> <li>• Quarterly review meetings with OH, HR and Mgrs</li> <li>• HR approve all referrals.</li> </ul>

1. Short term and long term absence are dealt with separately within the Policy.
2. There are triggers within the Policy.
3. Employee to report absence on day 1 and on day 4 to update manager.
4. For short term absence a Formal Sickness Absence Review Interview will take place and if attendance does not improve, the line manager will agree a date for a **Formal Review Meeting** to monitor and review progress. The Formal Review will not be held for at least six weeks but no later than six months following the Sickness Absence Review Interview. It is possible to conduct the Formal Review at an earlier stage if problems arise during the period agreed upon. A decision can be made at this meeting to review, disciplinary proceedings or the ill health capability procedure.
5. For long term absence the line manager will contact the employee as soon as possible or at the very latest within 2 weeks of the first day of absence in order to enquire as to his/her wellbeing. The line manager will offer appropriate support and arrange to maintain regular contact with the employee in order to keep up to date with his/her progress.
6. Line Managers receive an e-mail every month of sickness absences where triggers are highlighted, and managers receive advice from HR and OHU.
7. OHU Reports are detailed and practical, reports are received within 2 days of an employees' appointment with OHU. OHU advice provided over the telephone at all stages.
8. The main processes identified for managing sickness absence successfully:- all their processes including OH advice, wellbeing initiatives (quarterly themes), HR and Managers working together and the Ill Health Capability Panel.

<b>Local Authority</b>	Ceredigion
<b>PI Value</b>	8.9
<b>FTE Employees</b>	2794.10
<b>Highest area/s of sickness absence</b>	<ul style="list-style-type: none"> <li>• Highways – road workers</li> <li>• Residential Care</li> </ul>
<b>Services Not in House</b>	Housing Stock
<b>The role of OHU</b>	<ul style="list-style-type: none"> <li>• External – 2 different services used.</li> <li>• Managers refer and this is sent to HR.</li> <li>• HR contact OHU on manager's behalf with queries.</li> </ul>

1. Short term and long term absence are dealt with separately within the Policy.
2. There are triggers within the Policy.
3. For short term absence if one trigger point or a combination of trigger points is reached, an absence review meeting is convened to further investigate the absence and a remedial strategy. If no improvement a second absence review meeting is arranged and attended by a Head of Service. If still no improvement a Final Absence Review meeting is arranged and a decision is made by the Chief Officer.
4. For long term absence an OHU referral is made within 7 weeks and an initial absence review meeting within 10 weeks. An intermediate review meeting takes place at 16 weeks with HR and the Head of Service. If a recommendation to terminate is made at this meeting, the employee is given the opportunity to challenge the medical opinion. By 35 weeks a Final Absence Review meeting is convened where the Chief Officer considers the Head of Service decision to terminate. The Chief Officer will then decide the course of action.
5. Heads of Service attend Members panel for Corporate Performance scrutiny each quarter. As part of this scrutiny members ask how they are going to implement improvements.
6. The main processes identified for managing sickness absence successfully:- RTW interviews, triggers, OH advice and counselling.
7. Going forward a new absence management system is being launched to standardise reporting and create 12 month benchmark. In addition to this HR is to be centralised 3 HR Officers in each service area.

<b>Local Authority</b>	Neath Port Talbot
<b>PI Value</b>	9.4
<b>FTE Employees</b>	5595.00
<b>Highest area/s of sickness absence</b>	<ul style="list-style-type: none"> <li>• Schools</li> <li>• Community Care and Commissioning</li> <li>• Access Managed Services</li> </ul>
<b>Services Not in House</b>	<ul style="list-style-type: none"> <li>• Housing Stock</li> <li>• Residential Care</li> </ul>
<b>The role of OHU</b>	<ul style="list-style-type: none"> <li>• Internal OH Unit. External contract for OH Physician services.</li> <li>• Communication between manager and OHA</li> <li>• Advice on referrals.</li> <li>• Case Conferences.</li> </ul>

1. Short term and long term absence are dealt with separately within the Policy.
2. There are no formal triggers within the Policy, however with regard to short term absence if employees have had 3 instances of sickness absence in a year or a pattern of continued intermittent sickness then employees will be called in and a caution issued.
3. Some service areas carry out monthly reviews with employees who have been off sick even for one day.
4. No HR support provided for informal sickness absence meetings.
5. The trigger for managing long term absence is to carry out an informal Return to Work plan meeting with the employee within 28 days from the first day of absence. This a pilot across the whole authority (excluding schools) – see below.
6. Since January 2015 in relation to long term sickness absence, cases are being case managed by HR Officers in conjunction with Managers. Managers are still accountable for the management of the absence; however the case management creates a consistency of approach across the authority.
7. This pilot involves early intervention, informal return to work plan meeting within 28 days from first day of absence, effective communication between the employee and the manager. Stress risk assessment completed for work related stress cases. Medical advice from the Occupational Health Doctor when required. Timescales are shown below:-
8. Within 28 days an informal meeting is planned.
9. Within 6 weeks of this, a Stage 1 meeting is planned.
10. Within 8 weeks of this meeting, the next Stage 2 meeting is planned
11. In exceptional circumstances a Stage 2 Review meeting is held within 4 weeks of initial stage 2 meeting
12. Within 8 weeks of the formal Stage 2, a Formal stage 3 meeting takes place where a decision is made on employment. Process should end within 26 weeks.

13. The main processes identified for managing sickness absence successfully:-  
Managers being pro-active, two way communication and consistency of approach
14. Council has piloted in conjunction with UNISON the 'Busy Lives, Health People' initiative which provides information on managing stress in all aspects of life.
15. Council will implement a staff lottery which, when up and running will provide finance for wellbeing initiatives across the council in addition to employees winning monetary prizes.

FINAL DRAFT

## Views of managers on sickness absence management

### Responses from Managers asked if there was anything else that would help them to manage sickness absence which is not currently available.

“A better understanding of how other local authorities approach the management of sickness absence”.

“Improved Occupational Health intervention, with closer scrutiny of both medical and management information and more objective feedback, with specific emphasis on possible actions, rather than more nebulous suggestions such as "management support beyond the norm””.

“It would be useful on occasion’s spot test for alcohol/drugs, it is difficult to gain evidence of alcohol/drugs misuse. When an employee’s are off with diarrhoea and vomiting, they have to reframe from work for 48 hours, it would be useful if they were able to send a sample for analysis to safeguard the vulnerable adults that they are caring for”.

“Informal discussions with employees to discuss sickness absence levels”.

“We have reduced sickness, however we will only really manage it if we accept that staff take advantage of our over generous policy. No private company would allow such nonsense”.

“Full pay should be given for only the first 3 months and then 3 months half pay. Stop paying for the first 3 days regardless. so even then if they take a week off they won’t get the first 3 days. Offer staff an option to buy first 3 days sick with a small amount paid in each week from wages. We know they abuse situation as when we look at summer holidays sickness increases. We offer staff to buy additional leave, but this just demonstrates we know that was not true sickness previously. Put forward to Government that child care and maternity costs should be paid for by both mother and fathers company. This would prevent inequality in work place towards women”.

“Greater number of staff to assist with meeting staff. The occupational health department is very busy and covers the entire local authority”.

“No pay for the first 3 days of sickness/absence”.

“Non payment for the first 3 days of sickness absence”.

“Further guidance on the range of flexible working arrangements that could be put in place to manage different situations in order to facilitate more efficient and speedier returns to work”.

“Pay only statutory sick pay for first week of absence”.

“Resources. To do probably it takes time”.

“Sickness policies and the approach the Authority takes is skewed towards the individual. There is very little thought or support for the teams that are left to continue providing services with a depleted workforce. This puts added pressure on already stretched resources. Given the environment that Local Government is now working in, is it time to revisit our sickness policies?”

“The ability to contribute to the overall policy would be beneficial . As a service manager I feel that I am not able to contribute to developing /reviewing the Policy . The policy has been set and service Managers are expected to work to that Policy . This Council uses the Bradford Factor, It is my view for example that the triggers for action are too generous and that individuals are not kept in the "live stages " for long enough”.

“Waiting time to see Occ health to be reduced”.

FINAL DRAFT

## **Appendix 5**

### **National Context and Experience in Other Sectors and Regions**

#### **Source Reports**

**Source:** Office National Statistics.

**Full report:** Sickness Absence in the Labour Market, February 2014

<http://www.ons.gov.uk/ons/rel/lmac/sickness-absence-in-the-labour-market/2014/rpt--sickness-absence-in-the-labour-market.html>

**Source:** Local Government Association

Local Government Workforce Survey 2013/14. Research report March 2015

<http://www.local.gov.uk/documents/10180/11535/Workforce+Survey+2013-14/0e22a2d1-8406-4343-a49b-83e01cd9813e>

**Source:** Welsh Government

<http://gov.wales/statistics-and-research/sickness-absence-nhs/?lang=en>

**Source** Health and Social Care Information Centre

English NHS Sickness Absence Rates January 2015 to March 2015

<http://www.hscic.gov.uk/catalogue/PUB17903>

**Source:** CIPD Absence Management 2015 Annual survey Report Public Sector Summary.

CIPD members only.

<http://www.cipd.co.uk>