

NORTH LINCOLNSHIRE COUNCIL

AUDIT COMMITTEE

SICKNESS ABSENCE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 Inform the committee of the outcome of the improvement plan for sickness absence in the council.

2. BACKGROUND INFORMATION

- 2.1 Sickness absence was highlighted by the Audit Commission in the council's Annual Audit and Inspection letter 2007/8 as a risk to capacity - "capacity is hampered at an operational level by increasing levels of staff sickness absence"
- 2.2 The Audit Committee sought assurances that the action taken was having an impact in reducing the risk and requested regular reports from the Head of Strategy Development on the improvements made.
- 2.3 The Audit Committee have received the regular updates on sickness and at the last meeting requested that a copy of the action plan that was developed following the Scrutiny Review into sickness absence and the recent improvement peer reviews.
- 2.4 A copy of the action plan that was approved by Cabinet on 9th June is attached as appendix 1.

3. OPTIONS FOR CONSIDERATION

- 3.1 The Committee are asked to consider the action plan and determine whether the proposed actions give sufficient assurance that the risk will be reduced.

4. **RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

4.1 Sickness absence is costly to the council in terms of lost productivity and in some cases providing cover.

5. **OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

5.1 The council needs to ensure that it complies with the Disability Discrimination Act when dealing with sickness absence.

6. **OUTCOMES OF CONSULTATION**

6.1 Staff, Managers and Trade Unions were consulted as part of the reviews and their views were incorporated into the recommendations.

7. **RECOMMENDATIONS**

7.1 That the Audit Committee determines whether the proposed action provides sufficient assurance that the risk to capacity due to sickness absence will be reduced.

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Date: 17th June 2010

Background Papers used in the preparation of this report

Audit Commission Annual Audit and Inspection Letter 2007/8 produced March 2009
Cabinet Report 11th June entitled "Sickness Absence – Action Plan"

Sickness Absence Improvement Plan (Draft version)

Developed in response to scrutiny recommendations

Last updated: 24th May 2010

Rec. No		Action	By whom	Deadline
1	That all managers be reminded of their obligation to manage the absence of all their employees through the diligent and fair application of the council's sickness absence procedure.	<ul style="list-style-type: none"> • Personal letter from Chief Executive to all senior management teams (SMTs) to remind them of their obligation to manage sickness absence • SMTs to ensure that all line managers are aware of their responsibility • SMT members to follow up non-compliance with individual managers for all periods of sickness absence • Article in manager newsletter 'Nuggets' • Article in employee newsletter 'People' • Setting individual targets for service areas • Poster campaign 	<p>Chief Executive</p> <p>Senior Management Teams</p> <p>Senior Management Teams</p> <p>HR Strategy & Performance Officer/Strategy Development Officer</p> <p>HR Strategy & Performance Officer</p> <p>Assistant Director HR/ HR Strategy & Performance Officer</p> <p>Head of Health, Safety & Welfare</p>	<p>June 2010</p> <p>June 2010</p> <p>June 2010</p> <p>June 2010</p> <p>May 2010</p> <p>June 2010</p> <p>June 2010</p>

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Rec. No.		Action	By whom	Deadline
2	<p>That Human Resources produce a manager's checklist to be used by all managers when:</p> <p>(a) an employee notifies them of their absence (b) steps to be followed during absence providing advice of different scenarios (c) actions to be implemented upon the employee's return, and (d) to be used for every employee absence</p>	<ul style="list-style-type: none"> • Review content of current return to work documentation to meet new requirements 	HR Policy Officer / Senior HR Officer	July 2010
		<ul style="list-style-type: none"> • Update e-form in line with above action 	Principal HR Officer (Policy)	July 2010
3	<p>That once the employee has successfully returned to work, the above checklist be signed by the line manager and returned to HR for audit purposes</p>	<ul style="list-style-type: none"> • Review e-form workflows and functionality • Return of checklist to HR for all periods of sickness absence • Non compliance to be incorporated into QPR reporting 	<p>Principal HR Officer (Policy)</p> <p>All managers</p> <p>HR Strategy & Performance Officer</p>	<p>July 2010</p> <p>July 2010 onwards</p> <p>August 2010</p>

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4	That the mandatory completion and return to HR of the checklist form be part of individual service area QPR meetings. This will allow Service Directors to ensure that managers are complying with the council's sickness absence procedures.	<ul style="list-style-type: none"> • Develop reporting on PP to enable provision of performance information (sickness absence return to work form, review meetings, trigger reports) 	HR Strategy & Performance Officer	August 2010
		<ul style="list-style-type: none"> • Review trigger reports provided to services (Policy in Practice group) 	Principal HR Officer (Policy)	Report back to HRMT June 2010
5	That the scrutiny panel be consulted on the checklist prior to its implementation.	<ul style="list-style-type: none"> • Revised checklist provided to scrutiny panel 	Head of Organisational Development	June 2010
6	That as part of managers' Employee Development Reviews (EDRs) held annually, a specific part of their appraisal be their performance in implementing the council's sickness absence procedures	<ul style="list-style-type: none"> • Review the EDR form to include a section on managing absence 	Head of Organisational Development	July 2010
		<ul style="list-style-type: none"> • Implement revised form 	Head of Organisational Development	August 2010

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6 (cont'd)	Failure by the manager to have achieved 100% completion and return of the checklist to HR be dealt with according to the severity of failing to comply with mandatory requirements.	<ul style="list-style-type: none"> • Discuss a manager's performance in managing sickness absence during Employee Development Review 	All managers	Ongoing from August 2010
		<ul style="list-style-type: none"> • Review PP/e-forms to produce performance data upon which managers carrying out the EDR can form a judgement 	HR Strategy & Performance Officer / Principal HR Officer (Policy)	Aug 2010 (manual) Dec 2010 (e-form)
7	That a sickness absence panel/board be formed and led by the Chief Executive. This would provide specific management co-ordination of sickness absence and should be made up of HR officers, senior managers and a representative from occupational health	<ul style="list-style-type: none"> • Panel to be established reporting directly to the Chief Executive 	Assistant Director HR	June 2010
8	That in future managers receive details of sickness costs for their service and these should be incorporated into their performance targets	<ul style="list-style-type: none"> • Cost of absence incorporated in monthly returns 	HR Strategy & Performance Officer	Aug 2010
		<ul style="list-style-type: none"> • Costs to be included in Quarterly Performance Reviews and Corporate Performance Review 	HR Strategy & Performance Officer / Performance Manager	Aug 2010

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9	That a new comprehensive mandatory training package be developed and brought into use for all managers with supervisory responsibilities	<ul style="list-style-type: none">Review current session, using new sickness absence policyInclude 'fit notes'	Head of Organisational Development	Sept 2010
10	That mandatory refresher training courses be introduced once all managers have attended the above training, particularly when any amendments are made to the council's sickness absence policy.	<ul style="list-style-type: none">Establish recording system and refresher training system	Head of Organisational Development	September 2010
11	That in addressing amendments to the sickness absence policy the panel would like the Trade Unions to be consulted on any proposals.	<ul style="list-style-type: none">Include as regular item on CCG	Assistant Director HR	ongoing
12	That the reduction of the current trigger points for short-term absences be investigated with immediate effect.	<ul style="list-style-type: none">Revise policy to incorporate reduction of short-term trigger points	Assistant Director HR	June 2010

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13	That consideration be given to reducing the referral times to the OHS, and detailed in the council's sickness absence policy for managers' guidance.	<ul style="list-style-type: none">• Revise policy to incorporate earlier referral to OH	Assistant Director HR / Head of Health, Safety & Welfare	June 2010
14	That the Council Management Team investigates the possibilities of praising and rewarding good attendance and showing employees they are valued	<ul style="list-style-type: none">• Issue to be discussed with Internal Programme Board, with recommendations from Assistant Director, HR	Assistant Director HR	June 2010
15	That the Assistant Director Human Resources carries out further investigations/consultations with other service providers before making any commitments.	<ul style="list-style-type: none">• Investigate a comparable internal solution• Pilot in low performing area	Assistant Director HR	June 2010
16	That the council's leaders, service directors, managers and employees be aware that scrutiny will be re-visiting this review on an annual basis in order to scrutinise implementation of the recommendations and any progress that has been made.	<ul style="list-style-type: none">• Annual review to be scheduled• Communication to include reference to review	Head of Democratic Services	