

NORTH LINCOLNSHIRE COUNCIL

AUDIT COMMITTEE

SICKNESS ABSENCE

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To inform the Audit Committee of sickness absence levels and 2011/12 year-end position

2. BACKGROUND INFORMATION

- 2.1 In January 2012, the Audit Sub-Committee determined that the action taken to date to reduce sickness absence provided continuing assurance that the risk due to sickness absence was being reduced.
- 2.2 The Audit Sub-Committee requested that a progress report be submitted in June 2012 so that the position at the end of the 2011/12 year can be considered.
- 2.3 The average number of working days lost due to sickness absence in 2011/12 was 8.5 days against a target of 9 days. This is a reduction of 0.5 days compared to 2010/11. The council continues to demonstrate year-on-year sickness absence reduction. Between 2008/09 and 2011/12, sickness absence has fallen by 1.77 days, which equates to a 17% reduction overall as shown in the table below:

Absence category	2008/09	2009/10	2010/11	2011/12
Up to 7 days	2.75	2.68	2.13	2.05
8-20 days	1.42	1.52	1.21	1.26
20-60 days	2.19	2.34	2.19	2.02
60+ days	3.91	3.71	3.48	3.17
Total	10.27	10.25	9.01	8.50

- 2.4 During 2011/12 there has been an overall reduction across all length categories, with the exception of 8-20 days which has increased very slightly. The proportion of sickness absence in each length category has remained relatively unchanged. Short term sickness absence (up to 20 days) accounts for 39 per cent of all absence, while long term periods (20+ days) account for 61 per cent.
- 2.5 An analysis of the reasons for sickness absence shows the council mirroring national trends with the highest levels of absence occurring in the categories of stress, depression and mental health and musculo-skeletal problems (Xpert HR, 2011).
- 2.6 Sickness absence levels within the council are benchmarked each year against other public sector bodies via the CIPFA HR benchmarking club. Preliminary results from the 2012 benchmarking exercise show the average number of days lost per employee as 8.5 days - this has reduced from 8.9 days since 2011. This shows that the council's performance is improving in line with national trends.
- 2.7 Initiatives undertaken as part of the council's improvement plan have had a sustained impact on sickness absence levels. Refresher training which focused on training managers to manage sickness absence more effectively appears to have had a direct effect on absence levels. The completion of manager checklists has continued to increase during 2011/12 – from 85% in September 2010 to 98% in March 2012. Managers also continue to receive detailed management information on a monthly basis to assist them in managing attendance. This has been further supplemented this year with the introduction of automated email notifications via the BP Agent.
- 2.8 A key action of the sickness absence improvement plan was the setting and monitoring of service-specific targets. This acknowledges that in order to achieve the councilwide target, it is necessary to set individualised targets that are both realistic and challenging based on previous performance. During 2011/12 all services improved sickness absence levels with the exception of Children and Young People's Services who have maintained 2010/11 levels. The table overleaf shows 2011/12 figures for individual services compared against service-specific targets and 2010/11 performance:

Service	2011/12 actual	2011/12 target	2010/11 actual
Adult Social Services	13.94	13.50	13.92
Corporate & Community Services	6.76	7.00	7.06
Children & Young People's Services	9.40	9.00	9.40
Finance	5.20	6.86	6.86
Infrastructure Services	8.22	8.43	8.43
Neighbourhood & Environmental Services	10.80	13.00	13.55
Regeneration & Planning	6.76	6.39	7.13
Total	8.50	9.00	9.01

2.9 The latest sickness absence figures available refer to April 2012 only. In the first month of 2012/13, the average number of working days lost per employee is 1.11 days. Sickness absence data is currently being reworked in order to report against the council's new structure, which was effective from 1 June 2012 and a new annual target of 8.25 days for 2012/13. Sickness absence will be reported at both directorate and division levels.

3. **OPTIONS FOR CONSIDERATION**

3.1 The Audit Committee is asked to consider the council's current position and determine whether they have sufficient assurance that the risk to capacity from high levels of sickness absence has reduced further. In particular, consideration should be given to the impact of a reduction of half a day per employee, which represents enhanced capacity and contribution to the council's financial position.

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

4.1 Sickness absence is costly to the council in terms of lost productivity and the need to provide backfill cover for some frontline positions.

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

5.1 The council is aware of the need to comply with the Equality Act 2010 when dealing with sickness absence.

5.2 The council recognises that high levels of sickness absence present a risk to the capacity of the organisation to deliver high quality services.

6. **OUTCOMES OF CONSULTATION**

6.1 Employees, managers and employees were consulted on the implementation of the sickness absence improvement plan. Sickness absence levels are reported to all parties on an ongoing basis.

7. **RECOMMENDATIONS**

7.1 That the Audit Committee notes the reduction in sickness absence and determines whether there is a continuing assurance that the risk to capacity due to sickness absence is being reduced.

DIRECTOR OF POLICY AND RESOURCES

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Background Papers used in the preparation of this report

None