Staffing Committee

Date of Meeting: 23 July 2018

Report Title: Attendance Management

Portfolio Holder: Cllr Paul Findlow – Portfolio Holder for Corporate Policy and Legal Services

Senior Officer: Sara Barker, Head of Strategic HR

1. Report Summary

1.1. To provide an update on attendance management including current levels and patterns of absence. To give an oversight of work undertaken to review the attendance management and governance arrangements. The report also outlines the next steps to address sickness absence and is further supported by the Council's Wellbeing in Work strategy.

2. Recommendation

2.1.   To note the report and received feedback.

3. Reasons for Recommendation/s

3.1.   To ensure Members are kept up to date with attendance management developments and that the Committee's Terms of Reference are followed.

4. Other Options Considered

4.1.   Not applicable.

5. Background

5.1. Attendance management continues to remain a high priority within both private and public sectors in terms of employee well-being as well as the financial cost of absence.

5.2. In April 2017, a Staffing Committee Attendance Management Report was presented, comprising:-

- A comprehensive review of attendance management;

- Key issues identified in respect of attendance management and actions to address them;

- Existing HR policies which impact upon attendance to ensure they reflected the current legislative position and met organisational need.

- Commissioned an internal audit of sickness absence procedures with all subsequent actions complete

- Identification of key absence data to enable appropriate trends and performance against target;

- Initial work with managers to understand the potential barriers to effective absence management.

6. Update

6.1. Recent and Current Actions

6.1.1.   From the work undertaken from the Staffing Committee Working Group in 2017, the current position in respect of attendance management was established in order to identify and address key issues. Elements included governance arrangements, monitoring and compliance, target setting, attendance management roles and responsibilities, sickness absence reporting, review of policy and procedure and Occupational Health provision.

6.1.2.   There are three actions within the April 2017 report which are continuing to be progressed and are included in the Action Plan in Appendix 3. These are:

- To identify and obtain best practice from other organisations

- To promote the responsibilities of managers and staff in relation to attendance management

- To further develop governance and reporting

6.1.3.   The Council's HR policies were reviewed and updated, this was a necessary interim action until a planned HR policy review was completed.

6.1.4.   There is currently a review of all HR policies. As part of Phase 2 of this review, a simplified and integrated Attendance Management policy and procedure for long and short term absences is being developed. Through regular meetings, the emerging proposal will be shared and discussed with the Trade Union at the earliest stages. The implications of the new Business World system (B4B project) have

needed to be taken into account as part of the policy review. The new policy is due for implementation in July 2018.

6.1.5.   A target of 10 working days lost per employee was agreed for 2018/19.

6.1.6.   A promotion of the Council's responsibilities in relation to attendance management ensured all staff and line managers are aware of their responsibilities in respect of attendance management through the Directorate Management Teams and Service Management Teams throughout the organisation. Attendance management was also one of the key targets on PDRs for all managers.

6.1.7.   Facilitated sessions have taken place with managers to identify potential barriers to the effective application of the attendance management process. This provided useful insight which will be incorporated into the new policy and associated training, so that manager responsibilities can be undertaken with confidence, skill and the right knowledge to enable the effective application of the process.

6.1.8.   Regular updates on attendance management are reported to Staffing Committee.

6.1.9.   As part of governance and reporting requirements, key data is shared to ensure that managers have the appropriate level of detail on sickness absence to enable them to meet their responsibilities from oversight and scrutiny of overall absences to more detailed information to be used at an operational level. These measures have been complimented and reinforced with the planned introduction of a HR Scorecard and focus on a HR Performance Culture as part of the Council's overarching performance management arrangements.   A revised management information pack is now available at Directorate Management Team meetings. In addition key absence data is also included in the corporate scorecard.

6.1.10. This information will be used to support the effective management of sickness absence by being able to identify 'hot spots' and trends to focus action and to assess the impact of these actions leading to a reduction in the overall absence across the Council.

6.2. Absence Statistics (as at 31 March and 31 May 2018)

6.2.1.   Appendix 1 shows the absence data for the Council by organisation and directorate at the end of Q4 for 2017/18 and at 31 May 2018.

6.2.2.   The data is presented at Council level and at Directorate Level (People, Place and Corporate). It is proposed that a briefing paper on absence management will be provided to Corporate Leadership Team

and Staffing Committee on a quarterly basis and that future general absence data will be provided at a service level; data such as reasons for absence will be produced at a directorate level to ensure that the data remains anonymous.

6.2.3. The overall Council's absence rate of 11.18 working days is level with Q4 2017-18. This is compared with 11.14 working days in Q4 for 2016-17. The absence rates are calculated cumulatively on a quarterly basis.

6.2.4. The absence rate compares to 9.7 working days for councils overall in the North West for the same period. The days lost ranged from 4.4 to 13.3 days with Cheshire East being 11th out of 30 respondents (Source: 2017-18 North West Sickness Absence Report; North West Employers)

6.2.5. As anticipated, the increase in Q4 for 2017-18 was proportionally higher than in previous quarters due to the significant occurrence of seasonal illnesses; this is the pattern shown in previous years.

6.2.6. At the end of 31 May 2018, the absence rate (based on the period 1 April – 31 May 2018) is 1.69. Based on a rolling 12 months period, this is 10.98 days; this rolling figure is an accurate indicator of the Council's performance against its target of 10 days as at the end of March 2019. The statistics for 2017/18 show that absence in the People Directorate has been running above the monthly target for the Council overall whilst absence in the Corporate and Place Directorates is running below target. The statistics for the People Directorate includes the absence statistics for Care4CE.

6.2.7. The most common cause of long term absence across all directorates is stress (as well as the third highest cause of short term absence). It should be noted that stress is highest cause of absence across both the public and private sectors; it is notably so in the public sector (CIPD survey 2016). It is also important to note that stress will include work related stress but also stress in individuals personal life. It is also notable that the second and fourth most common causes are linked to mental health. If these three causes are considered together, the impact of mental health illness is significant.

6.2.8. The Council is actively undertaking work to support the reduction of the affects and impact of stress; this includes the roll out of Mental Health First Aid training, on-going promotion of the Employee Assistance Programme and commitment to adopting initiatives identified by the Well-being Focus Group.

6.2.9. The main causes for short term illness are minor ailments such as chest infections and colds; this is not unexpected and reflects the picture across both the public and private sectors (CIPD survey 2016).

6.3. Future Actions

6.3.1. Sickness absence statistics will be a key metric as part of the Council's Brighter Future Transformation Programme, supporting outcomes focused on staff wellbeing.

6.3.2. To enable effective governance and performance management, further performance reporting arrangements have been developed (Appendix 2).

6.3.3. As part of the overall attendance management and attendance at work processes, an action plan has been developed to promote and support attendance management and enable managers to effectively fulfil their responsibilities within the process with confidence and clarity. An update as of 31 May has been provided. (See Appendix 3)

6.3.4. There will be a comprehensive communications plan to promote the new attendance management policy to staff using Team Voice and cascading the information through management meetings and team briefings. Workshops will be delivered by HR Delivery staff to update existing managers with on-going training for new managers.

7. Implications of the Recommendations

7.1. Legal Implications

7.1.1. Strict adherence to policy and procedure should minimise and mitigate the risk of litigation.

7.2. Finance Implications

7.2.1. There is a significant financial implication associated with staff absence in term of sick pay; this is a lost opportunity cost. In addition, there is the cost of extra resources to provide cover e.g. additional hours, agency workers etc.

7.3. Equality Implications

7.3.1. Adherence to policy and procedure should ensure no employee is disadvantaged and specific needs are considered.

7.4. Human Resources Implications

7.4.1. The new attendance management policy together with redefined governance and performance management will focus HR Delivery responsibilities and partnership working with Directorates. The focus will monitor attendance management and reduce sickness absence in line with organisational targets. Senior HR Officers will have clear performance targets in line with organisational targets.

7.4.2. HR implications will also include the delivery of an initial training/briefing programme for managers and on-going programme for new managers;

7.4.3. The analysis of statistics with benchmarking against previous years and external organisations will be developed and shared in appropriate forums

7.4.4. HR Delivery staff will work with managers to target and take remedial action in areas where trends are identified.

7.5. Risk Management Implications

7.5.1. Risks relating to specific matters are dealt with separately.

7.6. Rural Communities Implications

7.6.1. There are no direct implications for rural communities.

7.7. Implications for Children & Young People

7.7.1. There are no direct implications for children and young people.

7.8. Public Health Implications

7.8.1. There are no direct implications for public health.

8. Ward Members Affected

8.1. No specific wards affected.

9. Contact Information

9.1. Any questions relating to this report should be directed to the following officer:

Name: Sara Duncalf

Job Title: Acting HR Business Partner, Delivery.

Email: sara.duncalf@cheshireeast.gov.uk

Appendix 1 – Absence Statistics

1A – Cumulative Absence Data for 2017 – 18

<div style="background-color: yellow;">
April 2018 Financial Year Absence Update:

Calculated Days Lost to Sickness per FTE Employee
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				2016-17	Apr 17	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18
		Cheshire East Council Target:		11.14	0.84	1.66	2.50	3.32	4.15	4.98	5.82	6.64	7.48	8.30	9.15	10.00
		Headcount	**Assignments**	**FTE**													
Cheshire East Council	*Excluding Schools and ASDVs*	**3588**	**3678**	**2824.0**	11.14	0.83	1.68	2.48	3.28	4.10	4.98	5.95	7.10	8.31	9.36	10.28	11.18
	People	2176	2218	1622.0	12.77	1.04	2.10	3.12	4.12	5.09	6.08	7.19	8.51	9.84	11.10	11.97	12.99
Executive Directorate	Corporate	880	890	768.8	8.23	0.48	0.96	1.60	1.90	2.50	3.25	4.05	5.03	5.98	6.71	7.79	8.57
	Place	534	562	431.2	9.75	0.64	1.32	1.67	2.49	3.18	3.78	4.56	5.43	6.62	7.47	8.31	8.95

Comparator Figures of Calculated Days Lost per FTE Employee (by quarter)

Financial Year	Q1 (Apr – Jun)	Q2 (Jul – Sep)	Q3 (Oct – Dec)	Q4 (Jan – Mar)
2016-17	2.61	5.31	8.32	11.14
2017-18	2.5	4.98	8.31	11.18

1B – Cumulative Absence Data for the 1 April – 31 May 2018

June 2018 Financial Year Absence Update:

Days Lost to Sickness Absence per FTE Employee

1st April 2018 - 31st May 2018

		Employees	Assignments	FTE	2016-17	2017-18	Apr 17	May 17	Apr 18	May 18
	Cheshire East Council Target:						0.84	1.66	0.84	1.66
Cheshire East Council *Excluding Schools and ASDVs*		3594	3676	2825.1	11.14	11.18	0.83	1.68	0.85	1.69
Executive Directorate	People	2168	2213	1619.4	12.77	12.99	1.04	2.10	1.02	1.94
	Corporate	882	892	768.1	8.23	8.57	0.48	0.96	0.64	1.36
	Place	542	569	435.6	9.75	8.95	0.64	1.32	0.60	1.34

## 1C – Absence Data for 12 Month Period 1 June 2017 to 31 May 2018

June 2018 Full Year Absence Update:

Days Lost to Sickness Absence per FTE Employee

1st June 2017 - 31st May 2018

		Employees	Assignments	FTE	2017-18	May 18
Cheshire East Council *Excluding Schools and ASDVs*		3594	3676	2825.1	11.18	10.98
Executive Directorate	People	2168	2213	1619.4	12.99	12.70
	Corporate	882	892	768.1	8.57	8.53
	Place	542	569	435.6	8.95	8.85

*This table provides cumulative absence data on a 12 month rolling period starting from 1 June 2017.*

Cheshire East Council: Short Term Absence Reasons



Cheshire East Council: Long Term Absence Reasons
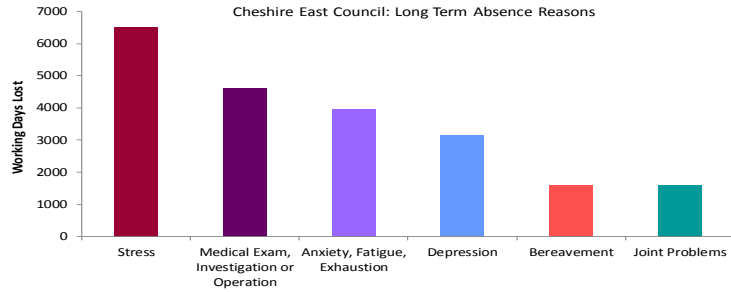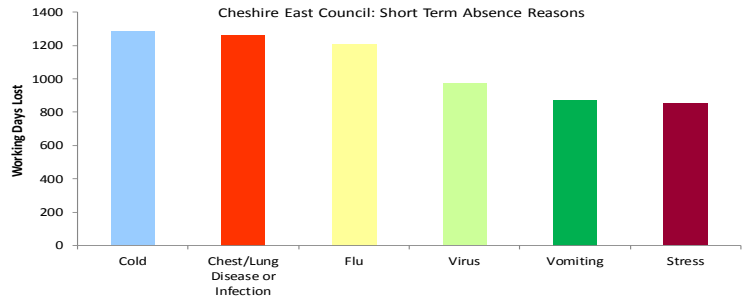
The graphs above reveal the most common causes of short and long term sickness absence within Cheshire East Council as a whole, identified by the cumulative number of complete working days lost to each reason during the 2017-18 financial year. Short term absences are defined as less than 20 consecutive working days, while long term absences are 20 days or more. It is important to note that this calculation may overestimate the total number of days lost due to varying employee FTEs, but for the purpose of identifying common causes of absence, working days lost are a reliable indicator of absence trends. Immediately visible is the impact of stress on absence rates; it is the most common cause of long term events by a notable margin, as well as a dominant factor in short term events. If stress can be linked to other symptoms such as anxiety, fatigue, exhaustion or depression, the impact may be more widespread than it initially appears, particularly if it is the underlying cause of other long term absences. The number of short term absences associated with seasonal illnesses, such as cold, flu, virus and chest infections, have risen noticeably between December 2017 and March 2018, such that stress has now fallen to the sixth most common cause of short term events.

People: Short Term Absence Reasons

Corporate: Short Term Absence Reasons

Place: Short Term Absence Reasons
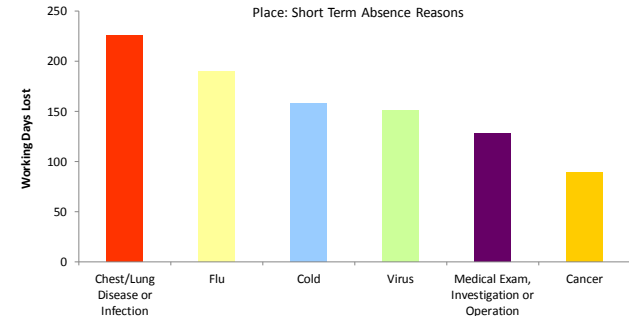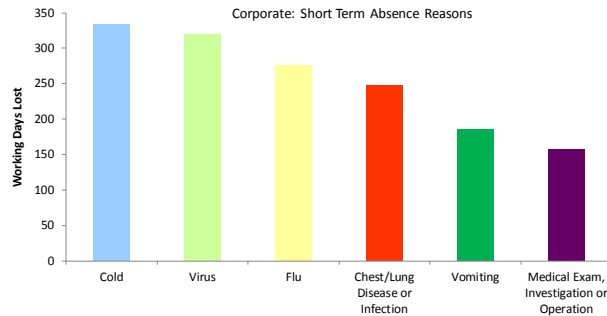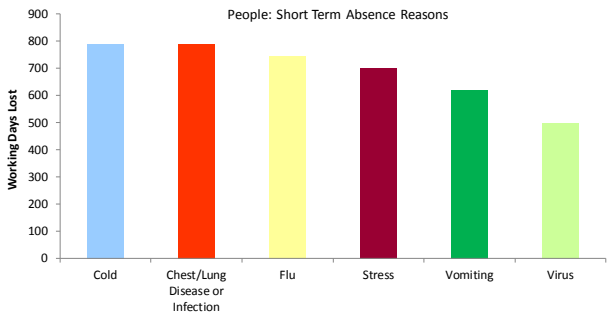
The graphs above give an insight into the most common causes of short term absence events in each of the Executive Directorates. These reasons are evaluated based on the total number of complete working days lost during 2017-18, as above. The prevalence of reasons such as cold, flu virus, and chest infections in every Directorate has been enhanced due to seasonal illnesses during winter months; this distribution of absence reasons is not unexpected for the winter period and the effect can be observed in the overall Cheshire East short term picture. Stress remains a visible factor in the People Directorate, but has fallen from the most common cause of short term events to the fifth most common between January and March 2018.

People: Long Term Absence Reasons

Corporate: Long Term Absence Reasons

Place: Long Term Absence Reasons
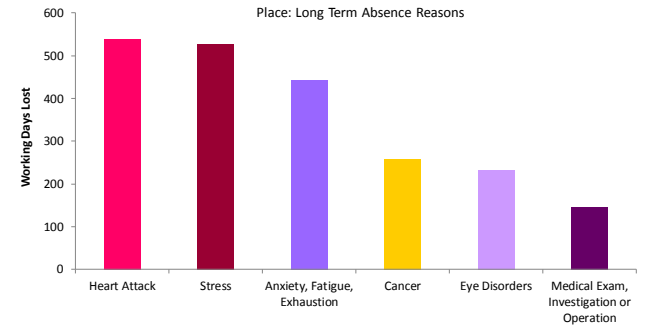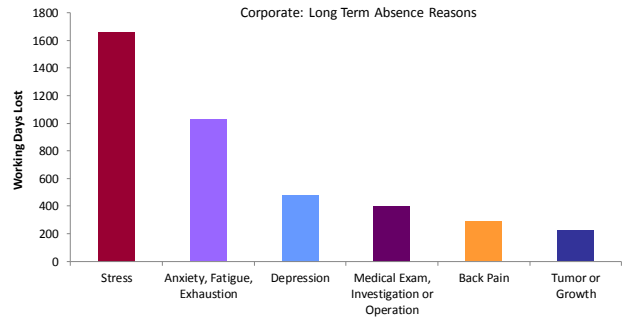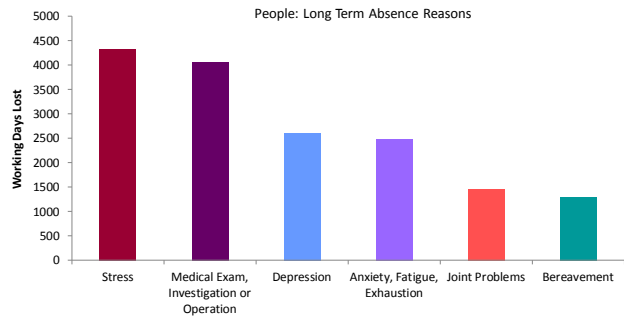
The graphs above convey the most common causes of absences lasting 20 or more consecutive days within each Directorate. The data includes long term events that may have begun before the 1st April 2017 and finished within the 2017-18 financial year, as well as those that are still ongoing. The most common causes remain relatively unchanged in the People Directorate between 31st January and 31st March 2018. Back pain and tumours have also become the fifth and sixth most common causes of long term events in Corporate since January 2018. Depression consistently contributes to long term events in both People and Corporate; perhaps due to the relative size of these Directorates, depression is therefore one of the most frequent causes of long term events in Cheshire East overall. Between December 2017 and March 2018, long term absences due to cancers and eye disorders were either of significant enough duration or frequency as to make them among the most common in Place, despite neither reason being prevalent in the December 2017 update nor previously appearing in the most common short term events for this Directorate. Heart attack, stress, and anxiety, fatigue and exhaustion remain the three most common causes of long term absences in Place; indeed heart attack and stress related absences continue to overtake anxiety, fatigue and exhaustion related events in duration.

Appendix 2 – Responsibility for Supporting and Promoting Attendance Management

To Whom	Information	Responsibility	Frequency
Corporate Leadership Team	Overview of statistics at Council, Directorate and Service level – days lost, reasons for absence (long and short term absence.	Agree annual absence targets. Receive reports on absence statistics, performance against targets and actions taken to embed effective attendance management. Provide objective challenge.	Quarterly
Directorate Management Teams	Overview of statistics at Directorate and Service level – days lost, reasons for absence.	Receive reports on absence statistics and performance against targets. Ensure that service managers take appropriate action identifying trends and follow up on non-effective implementation of Attendance Management Procedures.	Monthly
Directors	Overview of statistics at Service level – benchmark against other service areas in department, days lost, reasons for absence. Individual staff reaching trigger points for attendance management	Responsible for identifying and addressing and trends in absences and potential non effective implementation of Attendance Management Procedures. Ensure that appropriate action is taken in response to trigger points.	Monthly
Service/Team Managers	Individual absence data for staff in the service area.	Ensure that Attendance Management Procedure is implemented according to accepted timescales and circumstances. Liaison with HR in respect of unusual cases and potential 'problem' areas.	Monthly

HR Business Partner and Senior HR Officers	Overview of statistics at Council, Directorate and Service level - days lost, reasons for absence	Brief CLT and DMT on information, trends and performance against targets including actions being taken to address any identified 'hot spots' within services/particular teams.	Monthly
	Individual absence data for staff by team in their directorate.	Identify potential 'hot spots' and liaise with relevant manager to address individual and team issues.	
Corporate Policy and Legal Services Portfolio Holder	Portfolio Briefings on on-going process	Monitor, challenge and champion progress on Attendance Management	Monthly
Staffing Committee	Update	Enable members to provide assurance on key topic of Attendance Management	Quarterly

Appendix 3 – Action Plan

Headline	Action	Timescale	Who	Update at Q1
Policy and Procedures	• New policy and procedure to be implemented: – One process for managing both short and long term absence; simplifying the process and providing a link between short and long term absence; review associated documentation e.g. Return To Work (RTW) form and how RTW interviews take place to give ease of application with focus aims/objectives; – Consider the reduction of triggers for implementing the procedure; – Roles and responsibilities – employees, managers and occupational health – Identify best practice from other authorities/ organisations in managing absence including visiting local private sector organisations in relation to their approach to attendance management (referenced to Staffing Committee Attendance Management Project). – Other means of carrying out RTW interviews, e.g. by telephone, review RTW form.	June 2018	Strategic Head of HR/ HR Policy Manager/ HR Business Partner (Delivery)/ Senior HR Officers	The new policy and procedure is being drafted in two sections: Well-being and Sickness and Managing Attendance. The focus of the first section is proactive prevention through promoting services such as the Employee Assistance Programme and Occupational Health, good communications with line manager when off work, responsibility of own well-being as well as encouraging the Work Life Balance and flexible working to support employees and the second setting out the procedure for long and short term absence. Initial enquiries have been made to explore the visit to/briefing from private sector organisation in relation to their approach to attendance management.

Governance	• Implement the governance framework as outlined in Appendix 2	April 2018	Strategic Head of HR/ HR Business Partner (Delivery)	This has been implemented. Further work is being undertaken to refine the information provided.
Monitoring and Compliance	• Targets for absence levels at organisational level	Annually	CLT	This has been set at 10 working days absence per full-time equivalent employee.
	• Management information provided to managers with appropriate level of detail i.e. strategic or operational level (Appendix 2)	March 2018	HR Strategy/ Delivery	This has been implemented with on-going work to refine the information being provided.
	• Monitor and take appropriate action to ensure adherence to attendance management procedure by managers	On-going	Director/Head of Service	This is on-going.
	• Performance targets for Occupational Health; trends in respect of referrals identified to focus HR support required in services and well-being agenda.	Quarterly	H&S Manager/HR Business Partner (Delivery)	This is on-going.
Support for Managers	• Attendance management remains a key objective and key target on PDRs for all senior managers.	April 2018	CLT/DMT/ other management meetings	This has been implemented with communications sent to managers via Directorate Management Team/other management meetings as well as in team voice.

• Focus on the development and training of line managers in the new policy and procedures as well as skills to undertake their responsibilities with confidence, skills and the right knowledge to enable the effective application of the process.	May 2018	HR Business Partner (Delivery), HR Delivery Team, Organisational Development	Work is continuing on the development of the revised Attendance Management and Well-being and Sickness Absence with positive discussions with the Trade Unions. The development and training of managers will be designed to reflect these new policies and will address the remaining points in this section.
• Further work to understand potential barriers to include arranging a manager survey to ascertain what the issues are in managing absence - What approach do they take? Are they aware of the flexible working options available etc.	May 2018	HR Business Partner (Delivery), HR Delivery Team, Organisational Development	
• Share good practice between managers through 'guest slots' on attendance management training etc.	April 2018	HR Business Partner (Delivery), HR Delivery Team, Organisational Development	See above
• Develop a training and development package combining on-line and face to face activities which will complement the updated attendance management policy and provide managers with the confidence, skills and knowledge to support them and employees through the process as required.	October 2018	HR Business Partner (Delivery)/HR Policy Manager/ Senior HR Officers (Delivery) and Workforce Development	See above

			Manager	
Reporting	• Review technology / reporting functionalities to help managers to track/monitor staff sickness at strategic and operational level.	On-going	HR Business Partner (Delivery) /B4B project	This will be incorporated in the implementation of Business World.
	• Introduce costing of absence to attendance management reporting.	May 2018	HR Business Partner (Delivery)/ HR Strategy	Work is continuing to refine the management information to include the cost of sickness absences at different structural levels.
	• Provide further statistical analysis highlighting hotspots and trends to assist managers to review and reduce sickness absence;	June 2018	HR Business Partner (Delivery)/ HR Strategy	Work is continuing to refine the management information to enable flexibility of data interrogation to support managers.
	• Benchmark statistics against other authorities, public and private sector organisations including ASDVs, schools and through North West Employers and Office of National Statistics	June 2018	HR Business Partner (Delivery)/ HR Strategy	Benchmark statistics from North West Employers have been incorporated into this report; this reflects respondent councils in the North West. This element will continue to be developed to provide further depth to the benchmarking data.
Controls	• Include sickness absence in the HR Scorecard at directorate and service level. This will be part of the Corporate Scorecard.	July 2018	HR Business Partner (Delivery)	This work is underway and will be further developed as part of the Corporate

				Scorecard and Management
	• Restriction on agency cover to encourage managers to actively manage absence.	To be decided	CLT	Information provided to CLT and the relevant DMTs
Prevention and Well-being	• Need to embed responsibilities – managers and employees – in supporting their own and staff well-being at work and during absence episodes.	On-going	Managers/HR Delivery Team	This continues through day-to-day working with the managers and will also be incorporated into the revised Attendance Management Training.
	• Roll out of Mental Health First Aid Training across the organisation – this is a recognised training course, designed to teach people how to spot the signs and symptoms of mental ill health and provide help on a first aid basis.	Feb 2018/ on-going	Workforce Development Team	The first cohort has been trained with the second cohort being trained in July 2018. The names and contact details of Mental Health First Aiders can be found on posters throughout the Council's buildings.
	• Liaise with Occupational Health/other agencies with a view to campaigns, e.g. stress, mental health awareness.	On-going	Health and Safety Manager	This is on-going.
	• Promote the EAP across the organisation to ensure that everyone is aware and enabled to access the programme as/when the need arises.	On-going	HR Strategy	Regular items included on council communications including the most recent Wellbeing in Work newsletter.
	• Continue the ongoing training programme to build personal resilience and manage stress.	On-going	HR Strategy/ HR Delivery/	This is an on-going part of the corporate training

	• The adoption of initiatives as identified by the Well-being in Work Staff Forum and Wellbeing Contributors Group.	On-going	Managers Workforce Development/ OD	programme. This is on-going as well as pulling together all well-being initiatives for a comprehensive and integrated approach.