Effective Organisation Overview & Scrutiny Committee   **19 April 2012**

Staff Sickness Absence Management Scrutiny Review – Interim Report

Summary

1.   This report provides information on the work of the Staff Sickness Absence Management Task Group to date, and based on their findings asks the Committee to agree to the Task Group being reformed in the next municipal year to complete their work on this review.

Background to Review

2.   At a Scrutiny Event for Members in July 2011, the Committee agreed to carry out a scrutiny review on staff sickness, specifically to identify ways of reducing sickness absence levels across the organisation.

3.   At a meeting in September 2011, Members received a briefing on City of York Council's (CYC) current sickness absence procedures and policies together with statistics and information on actions previously taken. The Committee agreed to set up a Task Group to gather information on the potential areas of focus for the review for the full committee's consideration.

4.   The Task Group met twice to receive information on a range of associated issues including:

      • National survey of annual absence & labour turnover
      • Recent scrutiny reviews carried out by other Local Authorities
      • Comparative figures from other Local Authorities
      • Comparisons with other organisation types
      • CYC Attendance at Work Policy
      • HR Management Information Digests
      • Headlines from CYC Quarter 1 2011
      • Statistics on long and short term sickness & ill health retirements
      • iTrent – new CYC HR management system
      • Occupational Health – NHS Contract & Costs

- CYC sickness absence management training for managers
- Induction programme for new staff
- CYCs current procedures for recording and monitoring sickness absence

5. In January 2012, this Committee received a scoping report for the review detailing the Task Group's initial findings and as a result, agreed the following objectives for the review:

    Objectives:

    i. To revise the Council's Absence Management Policy & procedures to ensure they take account of iTrent, are in line with best practice, and written in a more formal assertive language;

    ii. To identify improvements in:

    a. the provision of Management training
    b. the induction programme for all new staff

    iii. To explore ways of introducing a change in culture within the workforce moving away from a policy of 'managing absence', towards one of 'encouraging attendance'.
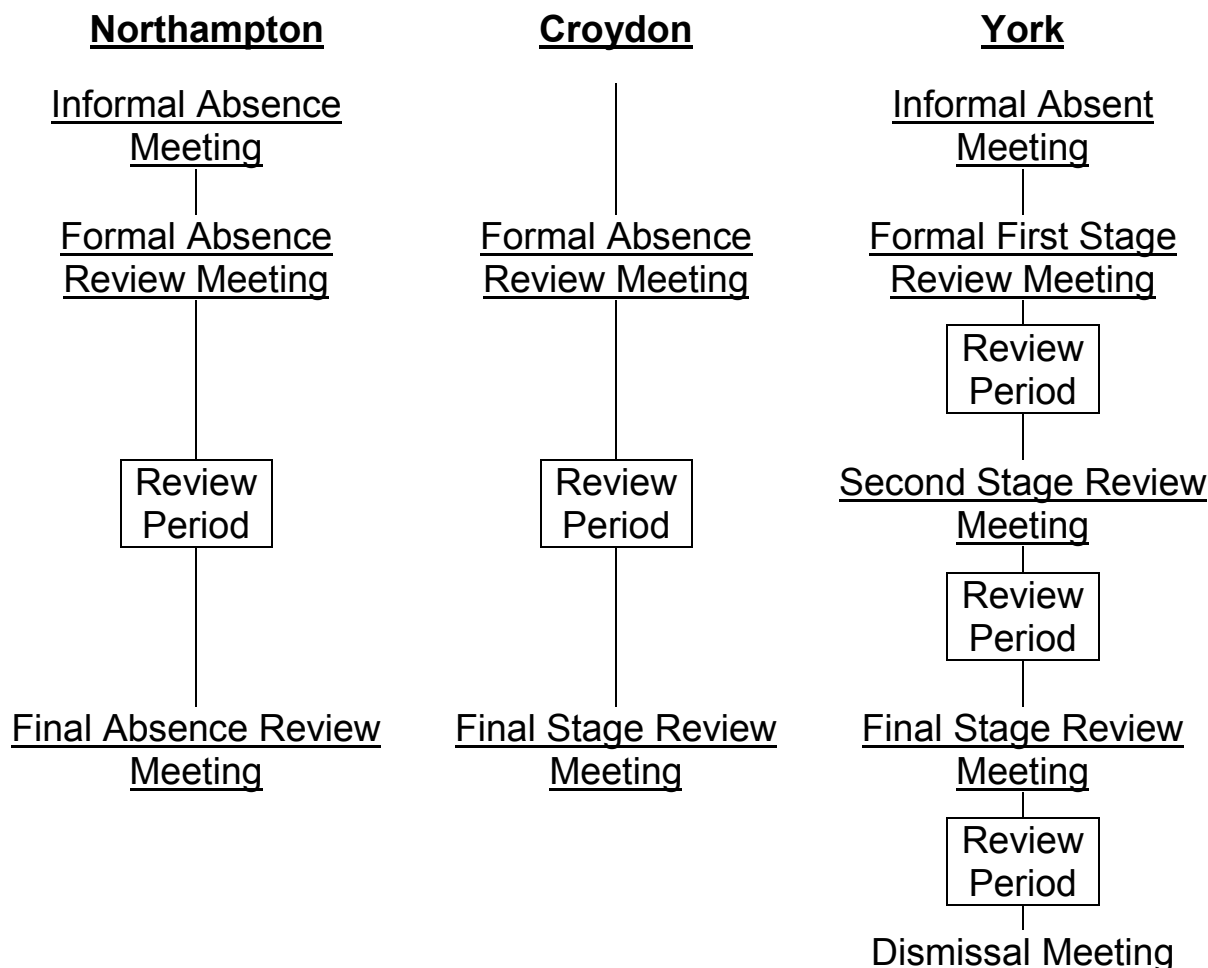
Review Findings to Date

6. Objective I – To revise the Council's Absence Management Policy & procedures to ensure they take account of iTrent, are in line with best practice, and written in a more formal assertive language
    As part of their initial investigation, the Task Group looked at a number of previously completed scrutiny reviews on managing sickness absence, carried out by other Local Authorities. They identified that a review completed by Northampton Borough Council in 2011 had been based on a similar remit as that set for this review and therefore agreed to look closely at their review findings. The changes they subsequently made to their policy were based on the best practice they identified as part of their review. Their final report also referred to Croydon Council's Sickness Management Policy which had been noted as another example of best practice, and which had resulted in a significant drop in staff absence since its introduction (see paragraph 9 below). The Task Group therefore agreed to use the policies from both those councils to carry out a comparison with CYC's policy.

7. In March 2012 the Task Group met to consider and compare the policies. Their initial finding was the need for more assertive, clear and formal language within CYCs policy. HR officers confirmed that the council's

current working practices and the policy would need to be revised to take account of the introduction of iTrent, and therefore the change in style suggested by the Task Group could be incorporated into the revised policy at that time.

8. In addition, the Task Group received detailed information on the trigger points and different stages within each Council's policy.

Northampton	**Croydon**	**York**
Informal Absence Meeting		Informal Absent Meeting
Formal Absence Review Meeting	Formal Absence Review Meeting	Formal First Stage Review Meeting
		Review Period
		Second Stage Review Meeting
		Review Period
Review Period	Review Period	
Final Absence Review Meeting	Final Stage Review Meeting	Final Stage Review Meeting
		Review Period
		Dismissal Meeting

9. The Task Group learnt that following Croydon Council's scrutiny review of their processes which led them to introduce their current trigger points and formal stages shown above, they had managed to reduce their levels of sickness absence from 9.07 days per employee in 2005/6 to 5.9 in 2007/8. Members noted the difference in their trigger points and their limited number of stages, in comparison to those in place in both York and Northampton.

10. The Task Group also noted that:

- Croydon have no informal stage
- Only York includes a second formal stage review

- Only York allows for a further final review period following the final stage review, before considering dismissal

11. In order to support a revision of CYC's policy, the Task Group carried out a detailed comparison of the wording of the three Council's policies. Having previously agreed that the language used in City of York Council's (CYC) policy needed to be clearer and firmer, in line with the others looked at, the Task Group also noted that CYC's policy was lengthy, repetitive, in parts not in plain English, and trying to be all things to all parties. For example, the main body of the policy included links to letter templates for Manager's use, employee's guidance notes, flowcharts etc. The Task Group also found it difficult to find and access the policy on the Council intranet site.

12. The Task Group agreed that one document covering everything for all was not appropriate and that it would be better to have a short, clear and succinct policy for employees, together with a separate guide for managers to support them through the different stages of the review, which could include the letter templates etc and cross references to other appropriate policies.

13. As a result of their comparison work, the Task Group identified a series of amendments in regard to wording and format. They also agreed that there were too many formal stages within the CYC procedure compared to the two best practice policies looked at. They therefore agreed to recommend the removal of the formal second stage review, taking into account that the current policy allows a Line Manager to use their discretion to either progress to the next stage of the process or extended the review period as appropriate. The Task Group acknowledged that this still left a further additional stage in the CYC formal process that the other two policies did not include i.e. that of a further review period between a final stage review meeting and a dismissal meeting, but agreed that in their view this should remain in place.

14. <u>Objective II - To identify improvements in the provision of Management training & the induction programme for all new staff</u>
In the early stages of the review, the Task Group queried whether there was anything relating to managing staff absence in the Council's training programme for Managers and Team Leaders, and whether as a matter of course, the council's sickness absence process was included in the induction procedures for new officers.

15. They learnt that the Council used to run a corporate induction programme which covered health and safety but made no specific reference to the sickness absence procedures. They also identified that there was

currently no compulsory absence management training for managers. And, although there was a specific module on managing absence within the Effective Manager Programme, only 21 managers had participated since its re-launch in September 2010. However, at their meeting in February 2012 the Task Group was informed that the Corporate Management Team had recently agreed that a revamp of management training at the Council was required.

16. In regard to new staff induction, the Task Group learnt that the Council currently provides an induction checklist for managers to use and an employee evaluation form, both of which are made available to officers via the Council intranet. However, as those only cover absence reporting, Human Resources (HR) had already identified there was a need to provide new starters with information on the council's sickness absence procedure as a whole, particularly in terms of expectations of attendance and how the Council manages non attendance.

17. The Task Group endorsed HR's view, and agreed that in order to enable managers to properly monitor absence within their individual service areas and allow them to properly support their staff through periods of absence, all managers should be required to carry out relevant training. They agreed that suitable absence management training for managers and induction foe for new officers should be introduced to coincide with the introduction of the absence management module which is part of phase II of the introduction of iTrent, as it could incorporate the new working practices as appropriate. The Task Group have requested that HR draft some proposals for such training and induction for their consideration.

18. Objective III - To explore ways of introducing a change in culture within the workforce moving away from a policy of 'managing absence', towards one of 'encouraging attendance'
The Task Group have acknowledged that changing the culture of any organisation is difficult and takes time, and that there is no 'quick fix'. They believe their suggested amendments to the current CYC Attendance at Work Policy and the introduction of appropriate training and induction, are a good start to making a positive change within the organisation, particularly in conjunction with the introduction of iTrent . The Task Group would like this Committee to continue to closely monitor sickness absence levels following the completion of this review, and to revisit the question of how best to create a change in culture once the revised policy and change to working practices have had chance to embed throughout the organisation.

Progressing the Review

19. Taking into account all the Task Group findings to date, and the forthcoming introduction of the absence management module as part of Phase II of the introduction of iTrent, scheduled for later this year, HR Officers are currently drafting a revised version of CYC's Attendance at Work Policy for the Task Group's consideration. However, this work will not be completed before the end of this municipal year due to the ongoing work in HR to introduce iTrent.

20. The Task Group have agreed they would like to continue their work on this review in the new municipal year so that they may:

   a) Consider the draft revisions to the policy - the Task Group recognise that any such revisions will require wider consultation with officers and the unions and would like to assist in facilitating some initial consultation where appropriate.

   b) Consider and comment on draft proposals for any absence management related training and new staff induction. They would also welcome the opportunity to meet with a number of managers, employee representatives and suitable external organisations later in the year once the draft proposals are available, to facilitate some informal consultation ahead of them being formally considered.

21. At the end of the review, the Task Group would like to present a revised draft of the CYC Attendance at Work Policy which takes account of their review findings, for the full Committee's consideration. The Task Group recognise that once this Committee have had the opportunity to comment on it, HR will need to formally consult with the Unions and CMT as part of their normal HR practice in such cases.

Options

22. Members may choose to:

   • Progress this review in the new municipal year as outlined in paragraph 20 above or;
   • Agree that the review be concluded at this stage and recommend that HR:

   i)   carry out appropriate revisions to CYCs Attendance at Work Policy in line with the review findings to date
   ii) carry out appropriate consultation on the revised policy and;

iii) introduce appropriate management training and new staff induction in line with the review findings to date

Implications

23. There are no known implications associated with the recommendation in this report. Implications associated with the introduction of a revised policy will be identified once the work to revise the policy has been completed.

Council Plan 2012-15

24. The Council Plan recognises that staff are the most important resource of the Council and without them it could not deliver its services and priorities. Ensuring staff receive the proper levels of support in times of illness etc is one way in which staff can be made to feel valued and engaged.

Risk Management

25. There are no known risks associated with the recommendation below.

Recommendations

26. Having considered the information contained within this report and provided at the meeting, Members are recommended to agree to the continuation of this review in the new municipal year, in order that the additional work identified within paragraph 20 above can be completed, and to revise their annual workplan for 2012-13 accordingly.

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Wards Affected: All ✓