

Report of the Director of Customer and Business Support Services

Absence Management

Summary

1. As requested by this Committee at its meeting held on 25 June 2014, this report outlines the plans in place and actions undertaken in light of the concerns raised within the Annual Governance Statement relating to sickness absence management across the council. It covers the response to the recent audit report which gave a 'Limited Assurance' rating to compliance to with the council's policies in place.

Background

The council's policies and practice for sickness absence

2. In March 2013 Corporate and Scrutiny Management Committee concluded a review of the council's sickness absence policy and its recommendations for improvement were approved by Cabinet in May 2013. The recommendations made in that report were enshrined within the revised policies finalised in October 2013 that the council has in place today.
3. Members are asked to note that whilst sickness returns from managers are input into the council's Human Resources (HR) system, iTrent, and that Management Information is available for managers, direct input is not yet available. The iTrent project has focussed on payroll implementation for the council and its payroll customers, people manager, employee self service, time and expenses claims, performance management and recruitment. Resources for the project are currently being reviewed to identify the resources and timescales needed to implement the absence management module next which is a complex implementation covering all forms of leave arrangements in the council.

Internal Audit Findings

4. It was against the revised policies that an audit was undertaken this year and a report finalised in July 2014, the outcomes were reported to this Committee in 2014 and the report can be found at Annex A.

5. The report states:

‘A number of weaknesses have been identified during the audit. They all relate to weaknesses and inconsistencies in practice between managers across the council rather than any inaccuracy of processing within the HR Business Centre. The most significant weakness is that not all sickness absence is being recorded on iTrent and therefore any management information produced is currently understating the amount of sickness absence across the council.’

Response to the Internal Audit Report

6. See below for the recommendations and actions undertaken since the production of the audit report:

a) Instances of sickness are not all being included on iTrent

Action:

Sickness statistics are now produced regularly and taken to the Council and Directorate Management Teams along with details of submission of sickness returns. Any discrepancies suggesting inaccurate recording are discussed with them. Internal Audit will carry out follow up audits and continue to be involved with the implementation of new iTrent modules to ensure that issues related to completeness and accuracy of recording are taken into account.

b) Self certification forms are not always being completed for instances of sickness.

Action:

Training is and will continue to be provided through the Workforce Development Unit (see details below) and regular emails are issued to all managers reminding of the importance of accurate recording and compliance with the attendance management policy

and procedures, together with reports back to Council Management Team. Training has been strengthened also to support the advice given in induction procedures.

c) Appropriate action is not taken when trigger points are reached

Action:

The existing procedure requires managers to review past absence at the return to work meeting and if a trigger point has been reached to take appropriate action. This requirement has been reinforced in manager toolkit guidance documents which have been launch to support the implementation of the policy amendments. It will be investigated whether an automatic alert can be set up on iTrent to notify managers when trigger points have been reached. Other actions are outlined in b) above and below in paragraph 7.

d) 'Statements of fitness for work' are not always present to support absences over seven days.

Action:

It will be investigated whether an alert can be set up on iTrent to notify managers of their requirements for when an absence is over 7 calendar days to ensure a fit note is obtained and retained. Other actions are outlined in c) above and below in paragraph 7.

Full Range of Activity Undertaken to Improve Control

7. Council Management Team (CMT) have received the audit report and required actions and with the support of HR the following actions have been implemented:

- a) CMT now receive regular sickness absence information with HR management information bulletins, and have agreed that a corporate sickness target needs to be established and will received a recommendation on this target in January 2015.
- b) Issues and actions raised at Corporate Leadership Group with Assistant Directors and at Directorate Management Teams.

- c) Robust sickness monitoring is contained within a 'key management essentials' document issued to all service managers in setting expectations of managers to get basic reporting right.
- d) Embedded in the council's Organisational Development Plan being managed through the Rewiring Public Services transformation programme.
- e) Monthly reminders are issued to all staff about payroll deadlines with monthly sickness return as an attachment. A staff magazine article has been issued on the process.
- f) Monitoring of all Heads of Service asking them to confirm that sickness absence returns are complete.
- g) New Occupational Health contract provides for improved and detailed quarterly reporting on referrals.
- h) Sickness absence policy and managers toolkit has been updated and reissued to reflect the new Occupational Health arrangements and this is more explicit about the sickness reporting process.
- i) A training plan has been developed through the Workforce Development Unit involving delivery of courses through the Occupational Health Nurse, the induction course and a specific programme being developed for absence management.

Response to previous Member Questions

8. Concern was raised at this Committee in June that inaccurate sickness absence information could lead to incorrect decisions being made for selection of compulsory redundancy on the basis that absence in the proceeding 12 months is one of the criteria used for redundancy selection.
9. It can be confirmed that the process for redundancy selection requires managers to make available to employees full details of the absence dates which are would be used for the redundancy selection decision. Should there be a discrepancy in the reported dates it would be identified at this stage, before a decision is made.

Consultation

10. Negotiations took place with the recognised trade unions through the council's Joint Consultative Committee (CJCC) in order to reach agreement on the 2013 changes to the council's sickness absence policies

Analysis

11. All analysis is contained in the body of this report

Council Plan

12. The information outlined in this report is in line with the council plan core capabilities and the workforce strategy which has health and wellbeing as an area of priority.

Implications

Financial

13. Failure to record sickness accurately can lead to miscalculation of occupational sick payments for individual officers, and an inability to fully account for the full cost of sickness absence for the council.

Legal

14. See Human Resources implications.

Human Resources

15. If sickness absence is not tracked and managed appropriately, the implications for staff members could be significant if appropriate support or responses are not put into place either through worsening absence or symptoms, or through litigation action taken against the council. The implication for the council is that absence reasons and volumes recorded in the HR system are not accurate and cannot be relied to inform for management decision making and actions based on the results.

Equalities

16. The poor recording of sickness absence reasons and related management action could result in reasonable adjustments or

occupational health advice not being provided where staff are covered by the Equalities Act in relation to any disability.

Crime and Disorder

17. There are no Crime and Disorder implications

Information Technology (IT)

18. Matters relating to the HR system are covered in the report.

Property

19. There are no property implications.

Risk Management

20. The main risks relate to failure to record, track, monitor and put in place actions to monitor sickness at service levels are that sickness levels are not accurate and the response to intentions are not proportionate. Risks of litigation against the council are increased as a result.

Recommendations

21. Members are asked to note and comment on the contents of the report.

Reason: To understand the key issues and response to recommendations to secure improvements in control arrangements around sickness absence.

Contact Details

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Report
Approved



Date 2nd December
2014

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Wards Affected: *List wards or tick box to indicate all*

All

Background Papers:

Cabinet Report – Staff Sickness Absence Final Report – 7 May 2013

Appendices:

Annex A – Sickness Absence Internal Audit Report