

Item No: 3	Classification: OPEN	Date: 2 February 2005	Meeting Name: Regeneration & Resources Scrutiny Sub-Committee
Report Title:		Request for scrutiny of Sickness Absence [Regeneration & Resources Scrutiny Sub-Committee, 14 th October 2004]	
Ward(s) or Group affected:		N/A	
From:		Head of Human Resources	

Recommendation

1. That Members note the arrangements for the collation of sickness Best Value Performance Indicators (BVPI) data reported to Committee and monitoring arrangements in place to assist sickness absence management at corporate and local levels.

Background

2. At the meeting of Regeneration & Resources Scrutiny Sub-Committee on 14th October 2004 Members considered BVPI quarterly targets and discussed those that were below target, or slightly below target, including sickness. Members requested a report back that separated schools data, described patterns of sickness (e.g. long term) and the monitoring arrangements in place to manage sickness.

The Scope of Statistical Data

3. The scope of BVPIs is defined nationally. BVPI 12 (Sickness) is one of five Human Resources (HR) indicators that specifically include schools, as a measure of an organisation's ability to manage its overall workforce. On an annual basis the Council must combine schools and non-schools data into a single auditable figure.
4. Earlier in 2004/05 the Office of the Deputy Prime Minister (ODPM) consulted Councils on potential changes to the BVPI definitions from 2005/06. Southwark made representation that the different arrangements attached to schools management would justify a separate reporting arrangement for these indicators. The results of the consultation remain outstanding. However, there is little optimism that these changes will be made, as the separation of schools management is less stark outside London.
5. As previously reported to Members the collation of schools' data is difficult. Following the transfer of schools support to WS Atkins, schools moved away from a single HR/Payroll system and chose a number of different providers. WS Atkins made no provision to capture workforce data. Since Cambridge Education Associates (CEA) has taken on management responsibility they have made significant strides in re-capturing this information. At the end of 2003/04 the Council was able to report on its full year BVPI figure for sickness (9.4 days) for the first in time in some years.

6. Gathering this full year data took dedicated resources by CEA and individual contact with over 100 educational establishments. Whilst CEA are aiming to introduce term time reporting at a departmental level this will take some time. To date, in year 2004/05, it has not been possible to report schools' data quarterly. The information presented to Members therefore for quarter 1 and quarter 2 excluded schools.
7. Previous experience in Southwark has shown that the inclusion of schools data lowers the average. This picture is replicated nationally. In 2002/3 figures issued by the Department for Education and Skills show teachers lose an average of 4.7 days through sickness absence compared to 11.2 days for 'non-school based staff'.
8. If we therefore applied the same level of reduction that occurred in Southwark at year end 2003/04; the inclusion of schools data would reduce the average days as follows: -

Quarter	Target	Reported Actual	Assumed, including an estimate for schools
Quarter 1	2.3	2.5	2.08
Quarter 2	2.2	2.93	2.44

It is stressed that this is an estimate and no schools data for this financial year has been obtained. It does, however, illustrate that over the first two quarters (taken together) the Council is virtually at target, though clearly emphasis is needed to ensure that the increase in quarter 2 does not persist.

Monitoring Arrangements

9. Monitoring is undertaken at a number of levels.
 - a. Annual BVPI data provides a picture of the whole organisation and is published externally. It has value in enabling the Council to compare its performance with others and to establish overall trends.
 - b. Non-schools, quarterly reports, to Members monitor progress towards the annual BVPI target. There needs to be caution, however, in judging trends from individual quarters.
 - c. On a monthly basis, information is prepared corporately on sickness averages at a departmental level. This allows departmental / divisional heads to compare performance within the financial year and on a rolling 12 month basis. It acts a catalyst for senior managers to query changes in averages with their managers and challenge action taken.
 - d. Departmentally, regular HR information reports are considered by Senior Management Teams (minimum quarterly). Each department has a sickness strategy / plan and these information reports provide an opportunity to review progress.

- e. At a local level, managers are required to regularly review sickness levels. (Management of sickness is integral to managers' workplans). Monitoring is generally monthly (frequency is not laid down but should relate to local experience) but can be when sickness occurs at an individual level. The Council's guidance on managing sickness advises that; *the manager should check on any recurring causes or types of sickness, distinctive patterns of absence* (e.g. specific days) *and levels of sickness absence in excess of pre-determined trigger/target levels*
10. The actions taken by local managers are key in setting targets for absence levels and managing absence when it occurs. Whilst there is an overall target for average days it would be disingenuous for this to be applied equally to, for example, a Refuse Collector and a Planner. Locally therefore managers will set standards that reflect the type of work and working environment. Manager's performance on sickness absence is a specific target in all workplans and is monitored as part of their personal performance management process.
11. At a corporate level it has been identified that long term cases have the most significant impact on sickness. Over a 12 month period to the end of August 2004 research shows that staff having more than 50 days absence (7.4% of staff absent) accounted for nearly half of all absence:-

Percentage of staff sick

1-3 days	4-10 days	11-20 days	21-50 days	50+days
31%	36.1%	14.2%	11.3%	7.4%

Percentage of absence

1-3 days	4-10 days	11-20 days	21-50 days	50+days
3.55%	13.7%	12.13%	21.39%	49.23%

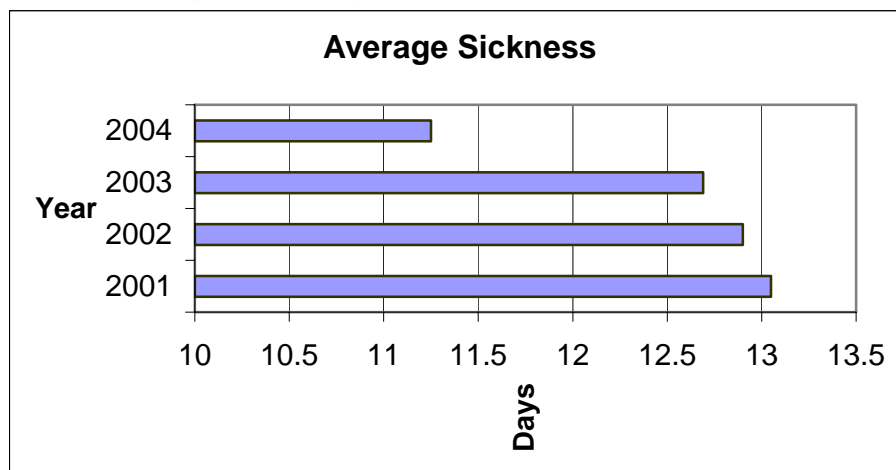
(Over 30% of staff had no sickness)

Consequently special attention has been paid to better management of long term cases.

12. To further assist monitoring;
- Each month the Chief Officer and the Departmental HR Manager is provided a list of people who have sickness absence over 50 days so that they monitor action being taken.
 - Over the last 2 years the Head of HR has held quarterly case conferences with HR staff, the Occupational Health Service and managers to challenge progress on these cases and unblock obstacles to resolving absence cases.
 - Over the last 3 months, a process of tracking the longest cases (100+) has started whereby at each level (corporate, departmental) specific progress can be monitored.

13. Over the last few years non-schools sickness absence has fallen consistently. Whilst this reflects effort at all levels, better control of long terms sickness has been vital. There is, though, a risk that this fall is showing signs of reaching a plateau, and further efforts will become necessary. Complacency is the main hazard.

Annual record (non-schools):



Resource Implications

14. There are no resource implications arising from this report. The investment made by CEA to improve workforce data and the comprehensive monitoring arrangements undertaken by the Council are however emphasised, as described above.

Equalities & Diversity

15. At a local level sickness management responds to the presenting needs of the individual and the job that they hold, regardless of the individual's profile. Where people incur long term and serious illness, however, the Council must make a judgment whether their condition falls under the provisions of the Disability Discrimination Act and ensure that related employer responsibilities are fulfilled.

Background Papers	Held At	Contact
Sickness Data 2003/04 & 2004/05	Town Hall, Peckham Road, London. SE5 8UB	Jill Seymour Corporate Personnel 020 7525 7066

APPENDIX A

Audit Trail

Lead Officer	Bernard Nawrat, Head of HR		
Report Author	Jill Seymour, Corporate Personnel		
Version	Final		
Dated	December 2004		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / EXECUTIVE MEMBER			
Officer Title		Comments Sought	Comments included
Borough Solicitor & Secretary		No	
Chief Finance Officer		No	
Executive Member		No	
Date final report sent to Constitutional Support Services			