

BROMSGROVE DISTRICT COUNCIL

PERFORMANCE MANAGEMENT BOARD

15TH JUNE 2009

APRIL – SICKNESS ABSENCE PERFORMANCE UPDATE

Responsible Portfolio Holder	Cllr Geoff Denaro
Responsible Head of Service	Jo Pitman, Head of Human Resources & Organisational Development

1. SUMMARY

- 1.1 To report to the Board on the Council's performance at 30th April 2009 in relation to sickness absence.

2. RECOMMENDATIONS

- 2.1 It is recommended that:-

- i. The Board considers the report and make recommendations to Cabinet as appropriate.

3. BACKGROUND

- 3.1 Sickness Absence is **RED** on the traffic light system for performance management for 2009/10 with the projected out-turn figure for the year being **10.19** against a year-end target of 8.75 days per full-time equivalent.
- 3.2 The overall trend for April was **upward, for the second month after four consecutive months of overall sickness absence reducing**. Sickness Absence did however **decrease** in three departments (Legal, Equalities & Democratic Services, EGovernment&Customer Services, and HR&OD) compared to March 2009.
- 3.3 Compared to the first month of 2008/09, there has been an increase in the overall sickness absence levels across the Council during 2009/10 (of 22.5 days). Four service areas are however in a better position than the same time last year (CEO, Egovernment&Customer Services, Financial Services and HR&OD).
- 3.4 There has been a slight decrease in overall short-term sickness absence in the first month of 2009/10 in comparison to the same month in the previous year (0.42 per FTE in 2009/10 in comparison to 0.49 per FTE during
- 3.5 2008/09).
- 3.6 Overall long-term sickness absence has however increased (almost doubled)

in comparison to the same month of the previous year (0.43 per FTE in 2009/10 in comparison to 0.24 per FTE during 2008/09).

3.7 Two out of the seven departments are **RED** against their departmental targets for the year, (Chief Exec Unit and Planning & Environment Services), with the other five departments being **GREEN** against their departmental targets for the year (Legal&Democratic, EGovernment&Customer Services, Financial Services, HR&OD and Street Scene and Community).

3.8 Four departments (Legal, Equalities & Democratic Services, EGovernment & Customer Services, Financial Services and HR&OD) are **GREEN** against the **Council's overall corporate target of 8.75 days sickness absence for the year**. The remaining three departments are **RED against the corporate target**.

Month by Month Comparison to 2008/09 and 2007/08

3.9 The attached Appendix 3 shows the Council's overall sickness (month by month) per FTE for the year to date (it will be a blue line next month, but again with only one months data, it is a blue square, against 2008/09 month by month performance (red line) and 2007/08 performance (black line). Performance is also plotted against the overall Corporate target for this year (09/10) (green line).

Cumulative Comparison to 2008/09 and 2007/08

3.10 The attached Appendix 4 shows the Council's overall cumulative sickness per FTE for the year to date (it will be a blue line next month, but with only one months data, is a blue square, against 2008/09 cumulative totals (red line) and 2007/08 cumulative totals (black line). Performance is also plotted against the overall cumulative corporate target for 2009/10 (green line). This will be updated month-by-month to enable easy comparison with last year's performance.

Long Term Sickness

3.11 The total number of people on long term sick leave at the end of April increased by 2, with 12 cases in comparison to 10 at the end of March.

3.12 The number of long term absentees increased from 2 to 3 in Planning & Environment, from 3 to 5 in Street Scene & Community, decreased from 3 to 2 in Legal, Equalities and Democratic and remained the same (1 in each service area) for CEO and E-Government & Customer Services.

Work Place Accidents Contributing to Absence Levels

3.13 During April there was ONE work-related injury, which resulted in 3 days lost in sickness absence, however, this absence will continue to have an impact on May's figures.

Analysis of Departmental Performance

The following is a summary of each service's current sickness absence levels:

Legal, Equalities & Democratic Services

- Overall sickness absence **decreased** from March to April;
- Compared to the end of April last year, there has been a slight **increase** in overall sickness absence levels so far during 2009/10;
- 3.14 ▪ Based on the year to date, the departmental target of 5.5 days for the year will be met with the projected 2.04 days for the year remaining comfortably within the Council's overall target of 8.75 days, making the department **GREEN against both targets**;
- There were two cases of long-term sickness absence during the reporting period.

Chief Executive Office:

- There was a slight **increase** in overall absence from March to April;
- Compared to the end of April last year, there has been a slight **increase** in overall sickness absence levels so far during 2009/10;
- 3.15 ▪ Based on the year to date, the departmental target of 6 days for the year will be exceeded, with the projected 23.25 days for the year also exceeding the Council's overall target of 8.75 days, making the department **RED against both targets**;
- There was one case of long-term sickness absence during the reporting period.

E-Government & Customer Services:

- There was a **decrease** in overall absence from March to April;
- 3.16 ▪ Compared to the end of April last year, there has been a **significant decrease** in overall sickness absence levels so far during 2009/10;
- Based on the year to date, the departmental target of 5 days for the year will be met with the projected 3.59 days for the year remaining comfortably within the Council's overall target of 8.75 days, making the department **GREEN against both targets**;
- There was one case of long-term sickness absence during the reporting period.

Financial Services:

- 3.17 ▪ There was a slight **increase** in overall sickness absence from March to April;
- Compared to the end of April last year, there has been a **significant decrease** in overall sickness absence levels so far during 2009/10;
- Based on the year to date, the departmental target of 9 days for the year will be met with the projected 1.55 days for the year remaining comfortably within the Council's overall target of 8.75 days, making the department **GREEN against both targets**;
- There were no cases of long-term sickness absence during the reporting period.

3.18

HR&OD:

- There was a **decrease** in overall sickness absence from March to April;
- Compared to the end of April last year, there has been a further **decrease** in overall sickness absence levels so far during 2009/10;
- Based on the year to date, the departmental target of 4.25 days for the year will be met with the projected 0 days for the year remaining

comfortably within the Council's overall target of 8.75 days, making the department **GREEN against both targets;**

- There were no cases of long-term sickness absence during the reporting period.

3.19 **Planning & Environment:**

- There was a significant **increase** in overall sickness absence from March to April;
- Compared to the end of April last year, there has been a **significant increase** in overall sickness absence levels so far during 2009/10;
- Based on the year to date, the departmental target of 7.25 days for the year will be exceeded, with the projected 21.77 days for the year also exceeding the Council's overall target of 8.75 days, making the department **RED against both targets;**
- There were three cases of long-term sickness absence during the reporting period.

Street Scene & Community Services:

- There was a slight **increase** in sickness absence from March to April;
- Compared to the end of April last year, there has been a **slight increase** in overall sickness absence levels so far during 2009/10;
- Based on the year to date, the departmental target of 11 days for the year will be met, with the projected 10.23 days for the year exceeding the Council's overall target of 8.75 days, making the department **GREEN against departmental target,** and **RED against the corporate target;**
- There were five cases of long-term sickness absence during the reporting period.

4. **FINANCIAL IMPLICATIONS**

- 4.1 With the exception of absences that need to be covered (whether through overtime and/or agency cover), there are no direct financial implications arising from sickness absence. However, indirectly the financial implications are shown to be associated with loss of productivity and also where successful cases of unfair/constructive dismissal or discrimination are brought against the Council by employees.

Financial implications can also arise from early retirements – specifically where they are retirements which are justified/facilitated on the basis of “being in the interests of the efficiency of the council” in order to short circuit lengthy absences that show little prospect of early resolution, but where the absence is considered to be having a detrimental effect upon service – whether because of the actual absence itself or where managers argue that they do not have the time to manage such cases properly. The costs of ill health retirement are met from the LGPS but changes to the LGPS qualifying criteria for ill health retirement means that ill health retirements are not so easy to facilitate.

5. **LEGAL IMPLICATIONS**

- 5.1 Depending on the nature of the illness, cause of the illness and overall management of the absence a number of legal implications may arise from absence and absence management. They are typically associated with unfair and/or constructive dismissal, discrimination (whether disability

discrimination or sex discrimination, breach of contract and in some cases breach of health and safety (duty of care as one example). These are rapidly developing and growing areas of litigation and the Council will constantly need to consider where the boundaries of risk management lie versus meeting employment law/contractual obligations.

It should be remembered that the Council is party to national conditions of service which form part of the contract of employment of our staff. A specific term of that contract is the current sick pay provisions, providing benefits of up to 6 months full pay and 6 months half pay. Any variation or proposed variation to this is likely to be met with considerable opposition from the staff and trade unions which could in turn lead to an unstable industrial relations climate.

6. COUNCIL OBJECTIVES

6.1 Council objective Two: Improvement

7. RISK MANAGEMENT

7.1 The main risks associated with the details included in this report are:

- Reducing capacity/performance output as a result of high absence levels.
- Local performance target in respect of sickness absence is not achieved.

7.2 These risks are being managed as follows:

- **Reducing capacity/performance output as a result of high absence levels**

Risk Register: HR&OD Services

Key Objective Ref No: 1 (sickness absence)

Actions: 1.1 Training for managers, 1.5 monitoring of Government's agenda, 1.7 Monitor performance monthly.

- **Local performance target in respect of sickness absence is not achieved.**

Risk Register: HR&OD Services

Key Objective Ref No: 1 (sickness absence)

8 CUSTOMER IMPLICATIONS

8.1 Continued rises in sickness absence will continue to have a negative impact on the Council's productivity levels and capacity, which in turn impacts on the levels of organisational performance/output.

9. EQUALITIES AND DIVERSITY IMPLICATIONS

9.1 There are no direct implications for the Council's Equalities and Diversity Policies arising from this report. However, consideration should at all times

be given to the need to ensure consistency of treatment across the organisation when managing sickness absence so as to avoid claims of unequal treatment/discrimination. Variations in treatment or application of policy can be defended but only in circumstances where they are as a consequence of the need to make “reasonable adjustments” arising from a disability as defined by the Disability Discrimination Act.

10. VALUE FOR MONEY IMPLICATIONS

- 10.1 ▪ There are no VFM direct implications, but indirectly there is a direct correlation to the level of service received by the residents of Bromsgrove and whether it represents value for money if we are losing a high proportion of available productivity time to absence.

11. OTHER IMPLICATIONS

Procurement Issues None
Personnel Issues – As outlined within the body of the report
Governance/Performance Management – As outlined within the body of this report, specifically in relation to organisational capacity and performance.
Community Safety including Section 17 of Crime & Disorder Act 1988 None
Policy None
Environmental None

12. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	No
Chief Executive	No
Executive Director (Partnerships & Projects)	No
Executive Director (Services)	No
Assistant Chief Executive	No
Head of Service	Yes
Head of Financial Services	No
Head of Legal, Equalities & Democratic Services	No
Head of Organisational Development & HR	No
Corporate Procurement Team	No

13. WARDS AFFECTED

All Wards.

14. APPENDICES

Appendix 1 - Overall Sickness Totals Spreadsheet April 2009

Appendix 2 - Overall Sickness Totals Spreadsheet 2008/09

Appendix 3 -

15. BACKGROUND PAPERS

None

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