

**ANGUS COUNCIL**

**SCRUTINY AND AUDIT COMMITTEE – 24 SEPTEMBER 2013**

**SICKNESS ABSENCE 2012/13**

**STRATEGIC DIRECTOR - RESOURCES**

**ABSTRACT**

This report analyses sickness absence within the council during the 2012/13 financial year.

**1 RECOMMENDATION**

The committee consider the terms of this report.

**2 BACKGROUND**

As the committee is aware, as part of the council's performance management arrangements, it receives quarterly reports on sickness absence. Each year these reports are aggregated to give an annual summary.

This report summarises and analyses absence data for the 2012/13 financial year.

**3 SICKNESS ABSENCE 2012/13**

The figures are given for two employee categories: local government employees (which includes chief officers) and teachers.

***Average Days Lost per Employee***

Table 1 identifies the average days lost per employee in each quarter, and overall, for 2012/13. The table also shows, in italics, the quarterly and annual figures for 2011/12.

<i>Table 1</i>	Apr – Jun 12	Jul – Sept 12	Oct – Dec 12	Jan – Mar 13	Total	<i>Total 11/12</i>
LGE	2.7	2.5	2.7	2.9	10.8	10.3
Teachers	1.7	0.8	1.7	2.0	6.3	6.1
Total	2.4	2.1	2.5	2.7	9.7	9.3
<i>Total 11/12</i>	<i>2.2</i>	<i>1.8</i>	<i>2.1</i>	<i>2.8</i>	<i>9.3</i>	

As the comparison shows, there has been an overall increase of 0.4 days per employee from 2011/12 to 2012/13 – an overall increase of approximately 4%.

Appendix 1a illustrates the above information in graph format.

The average number of working days per employee lost through sickness absence in each of the last five years is shown below.

<i>Table 2</i>	2008/09	2009/10	2010/11	2011/12	2012/13
Average days lost	10.4	9.8	8.9	9.3	9.7

This measure is a statutory performance indicator on which the Accounts Commission reports for both a) local government employees (including chief officers) and b) teachers. The council's figures for these two categories as reported to the Accounts Commission for 2012/13 were 10.8 and 6.3 respectively.

The Accounts Commission publishes annual statutory performance indicator information for 2012/13 in October at which point comparison with other councils will be possible. The Scottish average figures in 2011/12 were 10.4 (non-teachers) and 6.2 (teachers). The council's performance in that year was therefore slightly better than the national average.

For the purposes of wider comparison the most comprehensive source of information is the annual survey undertaken by the Chartered Institute of Personnel and Development (CIPD). The most recent survey available is for 2011 and is based on replies from 667 organisations across the UK employing around 1.7 million people. It identified a figure of 6.8 days lost per employee across all organisations, 8.1 days per employee within local government and 8.1 days for organisations with more than 5,000 employees.

It is worth noting that while surveys for the private sector consistently show a lower level of sickness absence than within the public sector, the Health and Safety Executive is of the view that absence in the private sector is under-recorded and indeed it is estimated that a quarter of private sector employers do not record sickness absence.

### **Percentage of Working Days Lost**

Table 3 shows the number of days lost through sickness absence as a percentage of available working days. The table also shows, in italics, the quarterly and annual figures for 2011/12.

<i>Table 3</i>	Apr – Jun 12 %	Jul – Sept 12 %	Oct – Dec 12 %	Jan – Mar 13 %	Total %	<i>Total 11/12 %</i>
LGE	5.43	5.55	5.76	5.58	5.58	5.34
Teachers	3.56	2.25	3.93	3.89	3.52	3.44
Total	4.99	4.97	5.35	5.17	5.12	4.92
<i>Total 11/12</i>	<i>4.52</i>	<i>4.33</i>	<i>5.51</i>	<i>5.30</i>	<i>4.92</i>	

As the comparison shows, the overall percentage of days lost has increased from 4.92% in 2011/12 to 5.12% in 2012/13 – an overall increase of approximately 4%.

Appendix 1b illustrates the above information in graph format.

The overall percentage of working days lost due to sickness absence in each of the last five years is as follows.

<i>Table 4</i>	2008/09	2009/10	2010/11	2011/12	2012/13
Percentage days lost	5.39	5.10	4.62	4.92	5.12

A breakdown of annual percentage absence by department, with a comparison with 2011/12, is shown at Appendix 2.

### **Incidence of Absence**

Appendix 3 gives a breakdown of absence figures illustrating in percentage terms (a) the total number of days lost through absences of one day, two to five days, five to 20 days and more than 20 days and (b) the incidence of absences of these same periods.

Comparative information for 2011/12 is also included.

The average length of an absence was 6.45 days.

### **Cost of Sickness Absence**

In 2012/13 the direct cost of employees' sickness absence ie the cost of sick pay, was £4,063,985 compared with £4,035,228 in 2011/12 – an increase of £28,757 (0.71%).

This figure comprises statutory sick pay payments of £687,685 and occupational sickness allowance payments of £3,376,300.

The cost of direct sick pay represented 3.31% of total salary costs (3.25% in 2011/12).

This represents an annual cost per employee of £640 (£630 in 2011/12) based on employee numbers as at 31 March 2013. The CIPD survey reported an overall average annual cost per employee of £600 and £647 within the public sector.

These figures must be treated with caution as what is included in the cost calculation varies from employer to employer. Like many organisations included in the CIPD survey the council's figure excludes costs associated with overtime and the use of temporary employees to cover absence.

There are also hidden costs associated with absence. As illustrated in the pie chart at Appendix 3, in 2012/13 33% of incidences of absence were for one day and 42% for 2 to 5 days. Short term absence can cause serious disruption to efficiency at every level of operation as it inevitably impacts on others attending work and makes it difficult to maintain service delivery standards. Accordingly, any reduction in absence levels can result in non-cash savings in terms of reduced disruption to service delivery as well as the direct cost reduction.

### ***Reasons for Sickness Absence***

Analysis of the reasons for sickness absence in the council in 2012/13, detailed at Appendix 4, shows that the major causes of absences, are stress-related, stomach conditions, colds and flu, respiratory/circulatory, heart conditions, and lower limb problems.

Stress-related absence accounts for approximately one in five of days lost and remains the single largest cause of absence. This is a pattern common to almost all local authorities, public bodies and indeed all employers.

The council strives to reduce stress-related absence and to support employees suffering from such conditions through its various absence management measures. To assist this, the council collects and analyses information on the causes of stress-related absence, particularly whether it is work or non-work related.

The analysis, shown at Appendix 5, found that 77% of stress absence during the period was caused by non work-related issues, in particular relationship problems, bereavement, family illness, family crises and long-term diagnosed depressive conditions, and 23% by work-related factors.

## **4 COMMENT**

This year's absence figure is a 4% increase on last year's performance. This increase led to an increased direct cost of almost £29,000 (0.71%).

Clearly, this is unwelcome, given the operational and financial consequences of absence. However, and as also reported to this committee, it should be noted that the absence figures for the first quarter of the financial year 2013/14 show a significant improvement – a 16% decrease in days lost – when compared with the corresponding quarter for the previous year.

This is encouraging but we cannot know at this point whether this is an isolated occurrence or a trend. It may be significant that an HR Adviser, appointed on a temporary basis specifically to assist managers address their absence management responsibilities, took up her post in November

## **5 FINANCIAL IMPLICATIONS**

There are no direct financial implications associated with the terms of this report. As members will know from the council's financial results for 2012/13. Staff costs (including sickness absence) have been met from the existing budgets set.

**6 HUMAN RIGHTS IMPLICATIONS**

There are no human rights implications arising from the terms of this report.

**7 EQUALITIES IMPLICATIONS**

The issues contained in this report fall within an approved category that has been confirmed as exempt from an equalities perspective.

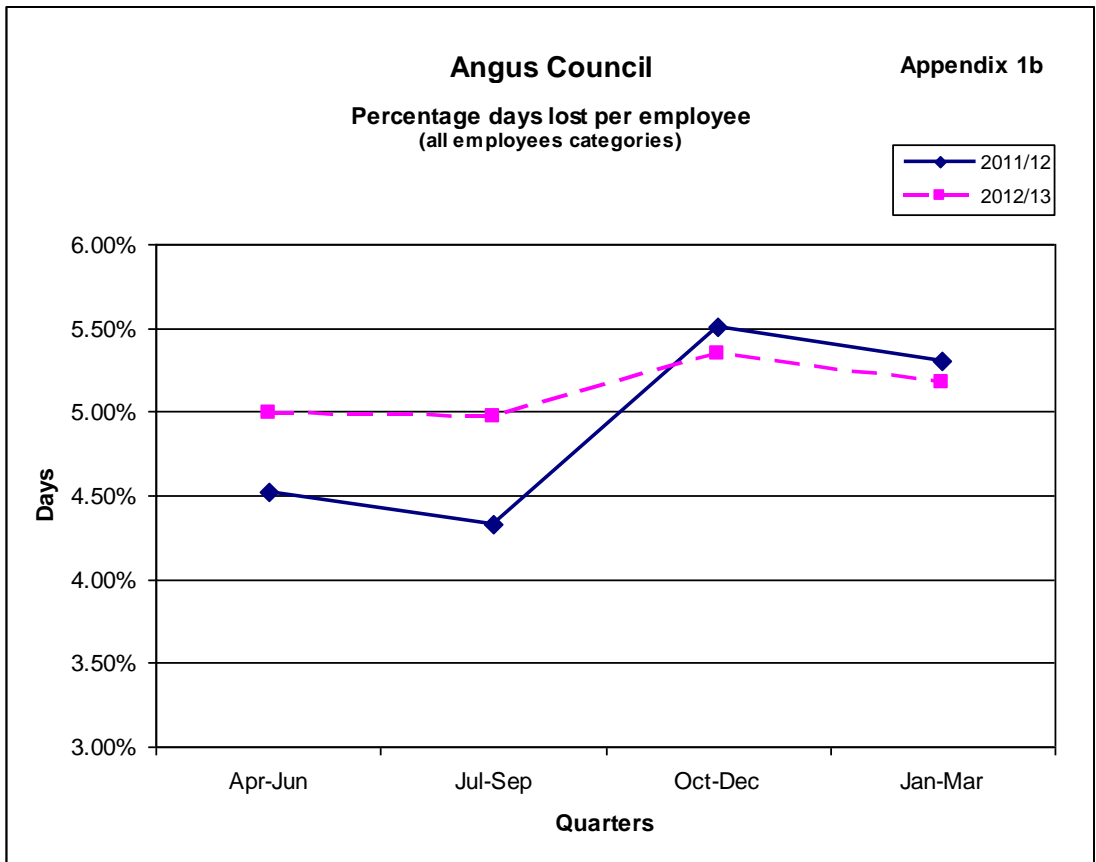
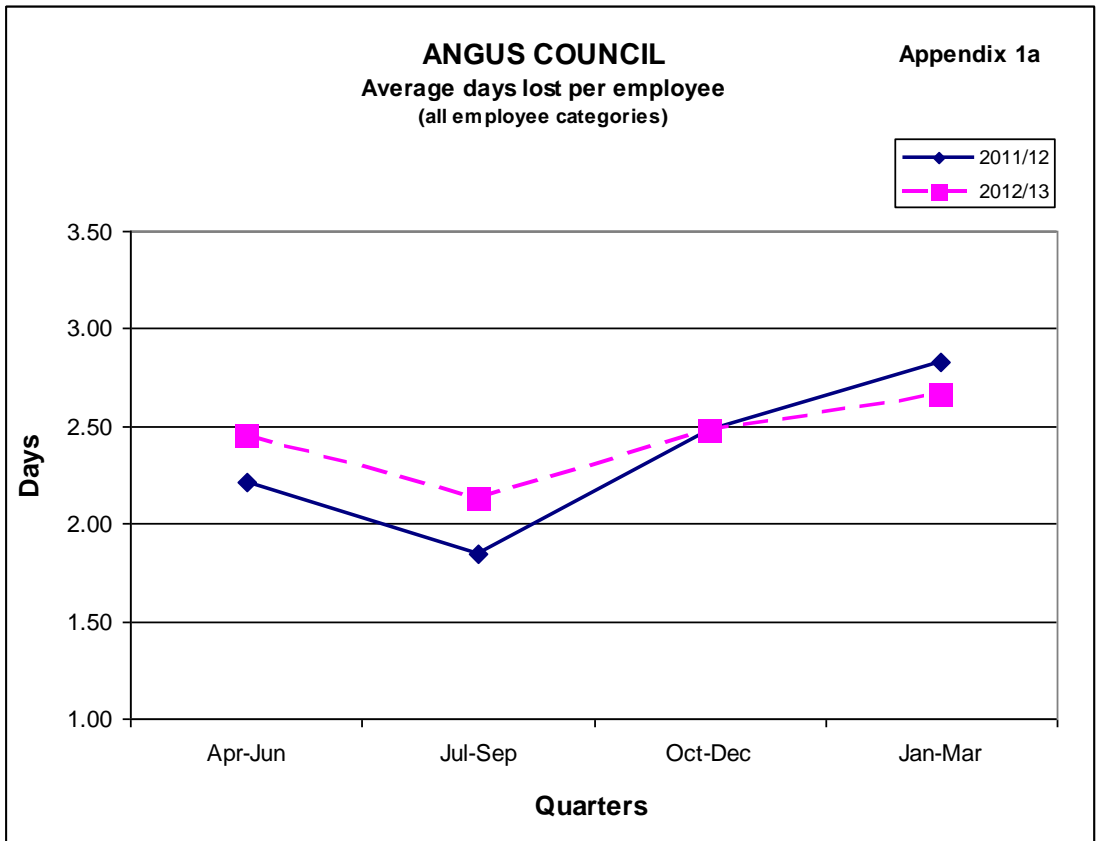
**8 CONSULTATION**

The Chief Executive, Head of Corporate Improvement and Finance and Head of Legal and Democratic Services have been consulted on the terms of this report.

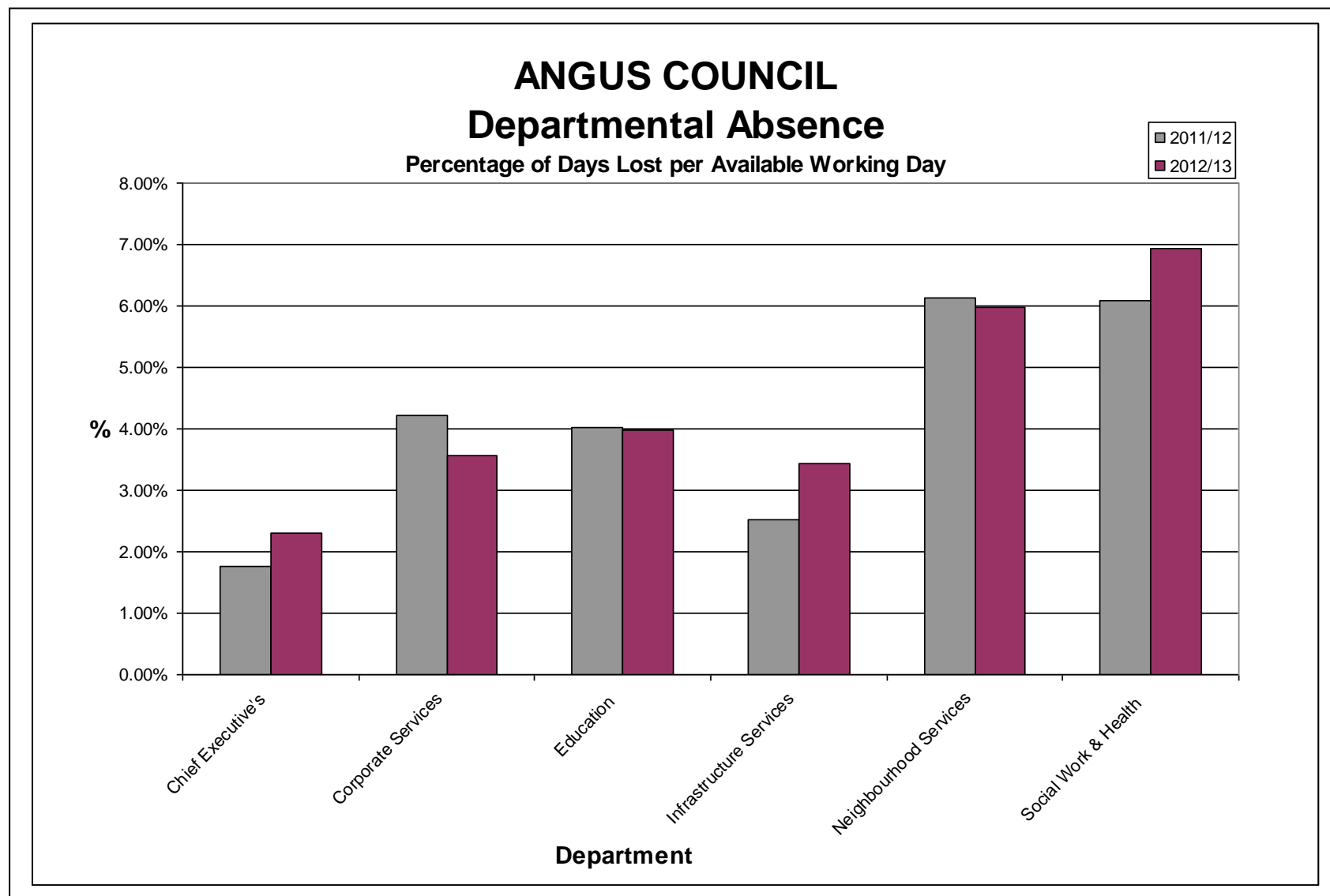
**MARK ARMSTRONG**  
**STRATEGIC DIRECTOR - RESOURCES**

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**NOTE** No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973, (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above Report.

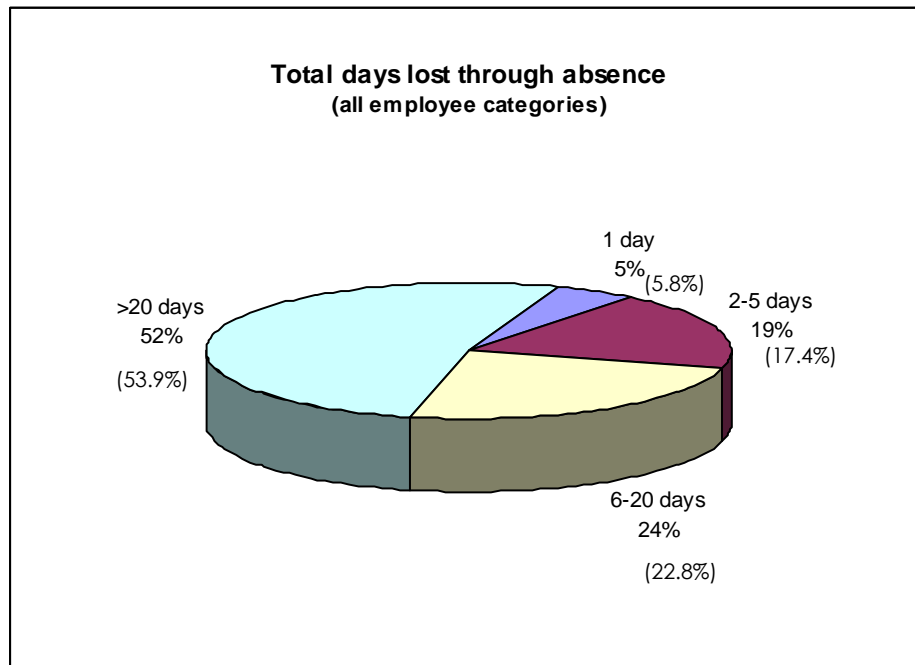
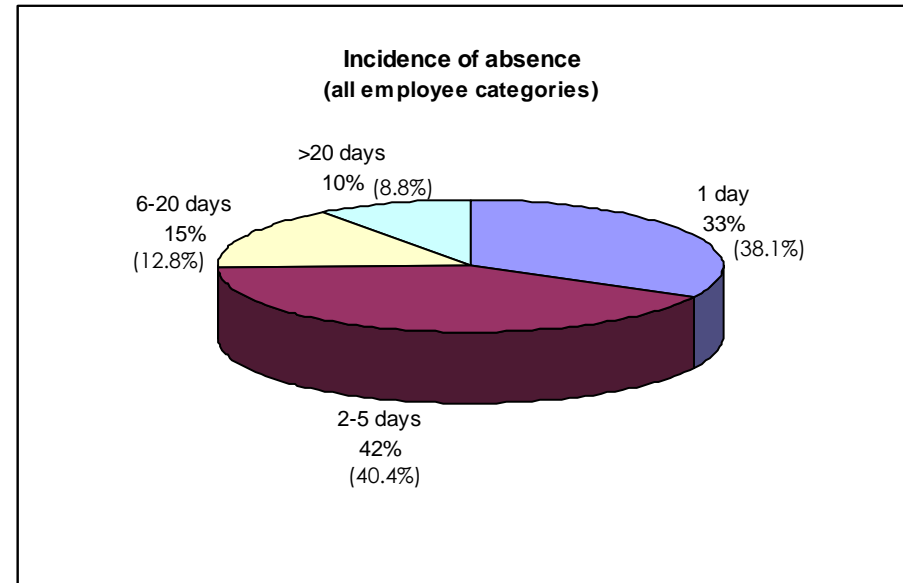






ANGUS COUNCIL

Breakdown of absence 2012/13



Figures in brackets relate to 2011/12



## REASONS FOR SICKNESS ABSENCE

Reason	2012/13	2011/12	2010/11	2009/10	2008/09	2007/08
	%	%	%	%	%	%
Stress Related	22.66	21.47	18.65	19.46	21.67	20.17
Stomach	10.83	9.52	10.19	10.56	9.57	8.79
Cold/ Flu	7.67	6.09	7.76	10.06	7.48	6.22
Respiratory/Circulatory/Heart	7.28	6.87	8.02	7.26	7.04	7.16
Lower Limb	6.93	6.94	8.28	7.56	8.17	8.13
Back	6.42	6.58	8.03	6.25	6.92	8.75
Ear/Nose/Throat	3.54	3.15	2.91	4.80	3.08	3.23
Upper Limb	3.34	3.73	4.79	3.66	3.54	3.65
Headache	2.17	2.44	2.07	1.77	1.64	2.21
Upper Body	1.45	3.97	3.10	1.95	4.01	4.84
Eye/Face	0.90	0.71	0.85	0.92	0.61	0.56
Other Medical Reasons	26.82	28.54	25.16	25.75	26.29	26.29

## STRESS ABSENCE ANALYSIS 2012/13

Department/Division	Total			Non Work Related				Work Related			
	No of Individuals	No of Absences	Days Lost	No of Individuals	No of Absences	Days Lost	% of Total	No of Individuals	No of Absences	Days Lost	% of Total
Chief Executive's	3	4	33	3	4	33	100%	0	0	0	0%
Corporate Services	18	20	338	17	19	314	92.9%	1	1	24	7.1%
Education	158	201	3,615	140	179	3,033	83.9%	18	22	582	16.1%
Infrastructure Services	16	18	199	10	12	163	81.9%	6	6	36	18.1%
Neighbourhood Services	60	70	1,455	49	58	1,132	77.8%	11	12	323	22.2%
Social Work and Health	158	198	5,593	125	161	3,972	71%	33	37	1,621	29%
<b>TOTAL</b>	413	511	11,233	344	433	8,647	77%	69	78	2,586	23%