

ANGUS COUNCIL
PERSONNEL & PROPERTY SERVICES COMMITTEE
17 OCTOBER 2000
SICKNESS ABSENCE 1999/2000
REPORT BY DIRECTOR OF PERSONNEL

ABSTRACT

This report analyses sickness absence within the Council during the 1999/2000 financial year.

1. RECOMMENDATION

The Committee note the terms of this report.

2. BACKGROUND

The Personnel and Property Services Committee on 2 September 1997 noted that the Director of Personnel would prepare an annual report on sickness absence within the Council.

As the Committee is aware, throughout the year quarterly reports are submitted to Committee indicating, for manual and non manual employees as well as for the Council as a whole: the number of days lost; the percentage of days lost against available working days; and, the average days lost per employee. These quarterly reports also illustrate in percentage terms total days lost through absences of one day, absences of two to five days, absences of more than five days and, incidences of absence of one, two to five and more than five days.

This annual report summarises the information which has been submitted to Committee on a quarterly basis and analyses the absence data for the Council for the 1999/2000 financial year.

The report also advises of an analysis undertaken during the year to identify the reasons for sickness absence within the Council.

3. SICKNESS ABSENCE 1999/2000

The information detailed in Tables 1, 2 and 3 below summarise the information which has been submitted to Committee on a quarterly basis.

Number of Working Days Lost

Table 1 identifies the number of working days lost for manual and non manual employees with aggregated totals.

<i>Table 1</i>	APR-JUN 99	JUL-SEPT 99	OCT-DEC 99	JAN-MAR 00	OVERALL
Non Manual	5963.25	4887.50	7831.00	9543.25	28225
Manual	3476.50	3253.50	3480.50	3724.50	13935
Combined	9439.75	8141.00	11311.50	13267.75	42160

For comparison purposes the Combined figures for 1998/1999 for the respective quarters were 8515.12, 7912.72, 8581.99 and 11395.56 respectively with an overall figure of 36405.37. The overall figures for non manual and manual were 25542.66 and 10862.73 respectively.

Appendix 1 illustrates in graphic format the total working days lost (non manual, manual and combined) for 1999/2000 and also charts the comparative figures for 1998/99.

Percentage of Days Lost

Table 2 expresses the above figures as a percentage of days lost against available working days.

Table 2	APR-JUN 99	JUL-SEPT 99	OCT-DEC 99	JAN-MAR 00	OVERALL
	%	%	%	%	%
Non Manual	3.33	3.38	4.54	4.85	4.07
Manual	7.16	7.18	6.36	6.74	6.66
Combined	4.15	4.29	4.98	5.26	4.67

For comparison purposes the Combined figures for 1998/99 for the respective quarters were 4.13%, 4.48%, 4.37% and 5.32% with an overall figure of 4.57%. The overall figures for non manual and manual employees were 4.10% and 6.26% respectively.

Appendix 2 illustrates in graphic format the percentage of days lost per employee (non manual, manual and combined) for 1999/2000 and also charts the comparative figures for 1998/99.

Available in the "Members' Lounge" is an analysis of percentage absence on a department by department basis incorporating the figures for both 1998/99 and 1999/2000, and, in bar chart format and again on a department by department basis, an analysis of percentage absence for each quarter of 1999/2000.

Average Days Lost per Employee

Table 3 identifies the average days lost per employee.

Table 3	APR-JUN 99	JUL-SEPT 99	OCT-DEC 99	JAN-MAR 00	OVERALL
Non Manual	1.81	1.46	2.26	2.81	8.34
Manual	3.20	3.21	3.34	3.77	13.52
Combined	2.16	1.86	2.51	3.02	9.55

For comparison purposes the Combined figures for 1998/99 for the respective quarters were 2.35, 2.06, 3.90 and 3.09 with an overall figure of 9.90. The overall figures for non manual and manual employees were 8.80 and 14.03 respectively.

Appendix 3 illustrates in graphic format the average days lost (non manual, manual and combined) for 1999/2000 and also charts the comparative figures for 1998/99.

The overall figures for both 1998/99 and 1999/2000 are shown in bar chart format on a department by department basis in the "Members' Lounge".

For the purposes of clarity the above figures show that on average every employee was absent 9.55 days per annum due to sickness absence within 1999/2000 (13.52 days per annum for manual employees, 8.34 days for non manual employees).

Incidence of Absence

Incorporated within the quarterly sickness absence reports is a breakdown of absence figures illustrating in percentage terms (a) total days lost through absence of one day, absences of two to five days and absences of more than five days and (b) incidences of absence of one, two to five and more than five days.

Appendix 4 outlines this information for 1999/2000 as a whole. The comparative information for 1998/99 is also included in the Appendix.

4. COMMENT

In 1999/2000 there was an overall increase in the *number of working days lost* compared with 1998/99 of just under 6000 days, the increase spread evenly amongst non manual and manual employees. Every quarter of 1999/2000 showed an overall increase in days lost. The manual figures showed an increase in every quarter whereas the non manual figures showed a decrease in the first two quarters but significant increases in the last two quarters of 1700 and 1900 days respectively.

However, when expressed as a *percentage of days lost*, the figures show only a slight overall increase, 4.57% to 4.67%. This increase is attributable to the manual employee figure, 6.26% to 6.66%, as the non manual employee figure actually shows a slight decrease from 4.10% to 4.07%.

The *average days lost per employee* figures of 8.34 non manual, 13.52 manual, and 9.55 overall show an improvement on the comparative figures for 1998/99 of 8.80, 14.03 and 9.90 respectively.

While the *number of working days lost* has increased which is perhaps inevitable given the calculation adjustments, the improvement in the *percentage of days lost* and *average days lost per employee* figures would tend to indicate that overall sickness absence is fairly steady in Angus or is indeed showing a slight improvement.

There is, however, an underlying upward trend of increasing absenteeism amongst manual employees - 4.5% in 1996/97, 5.8% in 1997/98, 6.25% in 1998/99 and 6.66% in 1999/2000 although the level of increase in the last year has not been as significant as in previous years.

As the Committee will be aware, with effect from 1 April 1999, Audit Scotland decided that sickness absence would be introduced as a council-wide statutory performance indicator. The definition adopted by Audit Scotland, and with which the Council is obliged to comply, required an adjustment in the way the Council calculated absence figures. This adjustment to some extent distorts any comparison.

The Statutory Performance Indicator is expressed as a percentage for three staff groupings: Chief Officers/APT&C; Craft/ Manual; and Teachers. The figures which will be published in this regard are: Chief Officers/ APT&C - 4.3% (rounded up from 4.26%); Craft/Manual - 6.7% (rounded up from 6.66%); and Teachers - 3.7% (rounded down from 3.73%).

Given that the Statutory Performance Indicator requires sickness absence to be reported on the basis of the above three employee categories, it is proposed that the quarterly sickness absence reports which are submitted to Committee, whilst retaining the current manual/non manual categorisation to enable comparison with national data are amended to include specific reference to the three categories.

Once Audit Scotland publishes the Statutory Performance Indicator information for 1998/99 direct comparison will be able to be made with other Scottish Councils.

In regard to comparison with currently available national sickness absence data, until recently the sources which had been used when reporting on a quarterly basis was the APAC National HR Data Base compiled by MSG which uses data from UK employers in all employment sectors. The most recently available figures from this source relate to April 1999 and show that the *percentage of days lost* through absenteeism in the public sector is 4.8% compared with 3.1% in private organisations with more than 1000 employees.

The source now used is a more recent survey undertaken in February 2000 by the Institute of Personnel Development (IPD) published in May. This comprehensive survey is based on replies from 1684 organisations in the UK employing just under 2m people. This survey shows an average absenteeism rate of 4.1% amongst employers (4.2% in Scotland), 4.3% within local government and in organisations with more than 2,000 staff a rate of 4

In Angus Council the comparative figure is 4.67%.

On *average days lost per employee*, the IPD survey indicates a figure of 9.3 per annum. A recent CBI study indicates a figure of 9.9 in the public sector, and 7.1 in the private sector. The same study also indicates figures of 7.6 for non manual and 9.4 for manual employees. A further study by the Local Government Employers organisation in England and Wales and relating to the 1998/99 financial year, indicates figures of 9.1 days for non manual employees, 12.1 for manual employees and 9.8 days for all employees.

In Angus Council the comparative figures of 8.34 for non manual employees, 13.52 for manual employees and 9.55 overall.

It is suggested that in overall terms the figures within Angus appear to compare favourably with the national picture with the exception of manual employees.

5. REASONS FOR SICKNESS ABSENCE

During the year an analysis of the reasons for sickness absence within the Council was undertaken.

All sickness records for the 1998/99 financial year were analysed. The result of this exercise is detailed in Appendix 5.

The analysis shows that "top five" causes of absence within the Council, and which account for over 60% of all absences, are colds/flu, stress related, back pain, stomach disorders, foot/ankle/knee/leg pain or injury.

This finding is not dissimilar to various national studies which consistently show the top five causes of absence as being cold/flu, stress, stomach disorders, headaches and back pain.

Neither does the analysis show much change from the last time such an analysis was done in the Council, 1996/97 as evidenced by the table in Appendix 5.

What is interesting, however, is the use of the terminology stress in both self certification and doctors' certificates. Previously a variety of reasons was given which were categorised under mental/psychological. This perhaps reflects a national trend and growing awareness of and understanding of stress.

The next analysis of the reasons for sickness absence will be contained within the 2001/2002 report. Next year's report will include an analysis of the cost of sickness absence.

6. ILL HEALTH RETIRALS

As reported to the Personnel and Property Services Committee on 13 June 2000, during 1999/2000 32 employees were released on ill health grounds having been certified as being permanently unfit for work by the Council's medical adviser. This compared with 26 during the previous year, 1998/99. In total, since 1996, 115 employees have been released on ill health grounds. These figures exclude teaching staffs.

The Committee requested that a review of the incidence of ill health retiral be undertaken.

As illustrated in Appendix 6, whether it be the overall total or the total for the last financial year alone, stress related and back pain ill health retirals account for just under 44% of all retirals. This figure is not surprising given the reasons for sickness absence findings, which, following colds/flu, place stress and back pain as the top two reasons for absence within the Council.

As reported in last year's annual report on sickness absence the cost of absence in terms of sick pay alone is approximately £2m.

Based on the percentage of absences attributable to stress and back pain as outlined in Appendix 5, of this £2m, it can be estimated that some £300,000 is attributable to absences due to stress and £220,000 to absences due to back pain.

While the cost of ill health retiral is borne by the Pension Fund it has been well publicised that the number of retirals on medical grounds in local government is much higher than in the private sector and that continuation of this trend will inevitably increase the strain on the Fund and may lead to the time when employers pension contributions will have to increase.

There is increasing pressure being brought to bear on Councils to reduce the strain on the Fund. Such pressure has been led in Scotland by Audit Scotland which paradoxically is also putting increasing pressure on Councils to reduce their absence levels as evidenced by the introduction of sickness absence as a Statutory Performance Indicator and the setting of sickness targets for 2002/2003.

To ensure both these pressures can be met Councils, whilst continuing to actively manage sickness absence management through Absence Management Procedures, will need to take a broader outlook by considering proactive initiatives which prevent absence in the first place or which focus on providing direct assistance to enable the employee to return to work.

Given the figures identified earlier it is considered that such initiatives should concentrate on stress and back pain.

Work is currently ongoing within the Personnel Department to develop training programmes and guidance leaflets for managers and employees to assist in the management of stress, and risk assessments and manual handling training which are already in place are designed to help prevent back pain.

These initiatives however tend to concentrate on the preventative side rather than providing direct assistance when stress related illness or back pain occurs.

More direct assistance initiatives, such as counselling for stress or physiotherapy for back pain, are available. Although they do require financial investment and there is a lack of data to support the success or otherwise of such initiatives, there is no doubt that a reduction in absenteeism, an early return to work and a reduction in the incidence of ill health retirements must produce cost savings and at the same time provide a real benefit to the employee.

In approving the Council's Stress at Work Policy it has already been agreed that a report will be submitted on the provision of counselling facilities and the Committee is now asked to note that it is proposed to prepare a further report on measures to address back pain.

It is also proposed that to enable the Committee to monitor the number of ill health retirements, the quarterly sickness absence report include data on ill health retirements within that quarter.

7. FINANCIAL IMPLICATIONS

There are no direct financial implications associated with the terms of this report.

8. CONSULTATION

The Chief Executive, Director of Finance and Director of Law & Administration have been consulted on the terms of this report. The Chief Officers' Management Team have been consulted on the content of the report.

JANICE TORBET
Director of Personnel

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.