

SICKNESS ABSENCE MONITORING – 2019/20

Presented by the Head of HR

EXECUTIVE SUMMARY

This report summarises employee sickness absence levels during 2019/20 and compares them to the target approved by Members. It also recommends a target for 2020/21.

At the Executive Committee in May 2019 (Paper E/621/19) Members approved an annual sickness absence target of 3 days per full-time equivalent (FTE) employee. This target was a stretch target based on the Authority's previous performance and above public/private sector comparators.

The Authority's average total number of days for sickness absence per FTE in 2019/20 equated to 4.8 days. This is above the Authority's stretch target of 3 days per FTE but is still lower than the national average of 5.8 days, the public sector average of 8.2 days and the private sector average of 5.1 days. Short term sickness averaged at 2.3 days per FTE and long term sickness averaged at 2.5 days per FTE.

68 Authority staff of the 103 total staff reported no sick days at all during 2019/20.

The average cost of sickness absence in 2019/20 equated to £515 per employee per year.

In terms of a target for 2020/21, based on the Authority's sickness absence performance over previous years, it is proposed that a stretch target of 3 days average sickness absence per FTE be continued.

RECOMMENDATIONS

Members Note: (1) the contents of this report; and

Members Approve: (2) a 2020/21 sickness absence target of 3 days per Full Time Equivalent (FTE).

BACKGROUND

- 1 The Authority's sickness absence target (average sickness per FTE employee) was agreed at the Executive Committee meeting in May 2019 (Paper E/621/19).

A stretch target of 3 days was set for 2019/20, based on the Authority's performance to date and public/private sector comparators.

- 2 The Authority also monitors the percentage of time lost due to sickness absence. A target of 1.16% was set by Executive Committee at its meeting in May 2019 (Paper E/621/19); based on the Authority's own performance and public/private sector comparators.
- 3 The Authority uses comparative public/private sector data from the most recent Chartered Institute of Personnel & Development (CIPD) national survey of Health and Wellbeing at Work in partnership with Simply Health. The analysis for 2019/20 is based on responses from 1,018 organisations across all sectors in the UK, employing a total of 4.5 million employees.

OVERALL PERFORMANCE 2019/20

- 4 The table below compares the Authority's sickness absence performance for 2019/20 to the national, public and private sector performance.

	TOTAL NATIONAL	PUBLIC SECTOR	PRIVATE SECTOR	LVRPA
Average days lost per FTE per year	5.8	8.2	5.1	4.8
Average working time lost per year (%)	2.6%	3.6%	2.2%	1.63%

- 5 This table shows that the Authority's sickness performance for 2019/20 is lower than both the public sector, private sector and national averages.
- 6 The table below compares the Authority's sickness absence performance over the past five years.

	TARGET 2019/20	ACTUAL 2015/16	ACTUAL 2016/17	ACTUAL 2017/18	ACTUAL 2018/19	ACTUAL 2019/20
Average sickness absence per FTE	3 days	4.9 days	5.9 days	8.3 days	4.5 days	4.8 days
% time lost to sickness absence	1.16%	1.86%	1.93%	2.49%	1.48%	1.63%
Average cost of sickness per employee, per year	N/A	£510	£630	£856	£494	£515

- 7 The Authority's average sickness absence per FTE of 4.8 days for 2019/20 is above the stretch target of 3 days and is a slight increase on last year's figures by 0.3 days. The total FTE in the Authority for 2019/20 was 89 and in 2018/19 it was 84.

- 8 If long term and short term sickness is separated, the average short-term sickness absence per FTE for 2019/20 is 2.3 days, which is below the target of 3 days per FTE.
- 9 The percentage of time lost due to sickness absence in 2019/20 was 1.63% which is above the target of 1.16% but is lower than the public sector, private sector and national average.
- 10 The average cost of sickness absence was £515 per employee for the financial year 2019/20, which is higher than the 2018/19 average cost of £494. However, the average salary has also increased in 2019/20 to £32,441 from £29,083 in 2018/19.

SHORT-TERM SICKNESS ABSENCE

- 11 Short-term sickness absence is defined as any period of sickness absence of less than four weeks. In 2019/20 short-term sickness absence equated to 48% of the Authority's total sickness absence. The table below shows a comparison of the Authority's short-term sickness absence over the last five financial years. The number of days attributed to short term sickness has decreased when compared to the previous year. Human Resources will continue to closely monitor short-term intermittent sickness in 2020/21 to ensure proactive management:

LVRPA - SHORT TERM SICKNESS ABSENCE					
Year	2015/16	2016/17	2017/18	2018/19	2019/20
Number of Days	136	270.5	228.5	228	204
% of Total Sickness	38%	54%	35%	60%	48%

- 12 The Authority's recorded top four reasons for short-term sickness absence in 2019/20 remain as stomach/liver/kidney/digestion, viral infection, chest/respiratory and musculoskeletal problems. In comparison, the CIPD's 2020 Health and Wellbeing at Work Survey Report reported the top five reasons as colds, flu, stomach upset, headaches and migraines.

LONG-TERM SICKNESS ABSENCE

- 13 Long-term sickness, in accordance with the Authority's Sickness Absence Procedure, is defined as any continuous period of sickness absence in excess of four weeks. The table below shows long-term sickness levels for the last five financial years.

LVRPA - LONG TERM SICKNESS ABSENCE					
Year	2015/16	2016/17	2017/18	2018/19	2019/20
Number of Days	254	230.5	419	156	221
% of Total Sickness	62%	46%	65%	40%	52%

- 14 Long-term sickness absence in the 2019/20 period was 221 days, consisting of 4

employees and 5 incidences of sickness.

These 5 cases were due to operation, injuries, stress following a bereavement and diabetes. All 4 employees have returned to work. In comparison, the CIPD reported mental ill health, musculoskeletal injuries, stress and acute medical conditions as the main causes of long term absence.

- 15 The Authority will continue to closely manage long-term sickness in 2020/21 in order to ensure proactive management.

COVID-19

- 16 In terms of the Covid-19 pandemic, the Authority has 2 employees to date, who have been confirmed with Covid-19:

- 1 of the employees has returned home from hospital and is continuing their recovery; and
- 1 of the employees remains in hospital but is no longer in intensive care.

- 17 The Authority is doing all it can for its employees during this pandemic and is following all government guidelines.

MANAGING SICKNESS ABSENCE

- 18 The Authority's Sickness Absence Procedure includes:

- return to work interviews;
- detailed monitoring of both short and long term sickness absence with reports to Senior Management;
- managers maintaining more regular contact with employees during their absence;
- referrals to Occupational Health (OH) professionals; and
- proactively obtaining consent from employees regarding any relevant medical reports.

Following an employee's return to work after a long-term sickness absence, reasonable adjustments are considered in consultation with the employee, manager, HR, Health & Safety and OH professionals to ensure the transition back into the workplace does not put the employee at further risk of sickness absence. The Authority also has a Capability Procedure which includes a framework for effectively managing sickness absence.

- 19 The Authority's Capability and Disciplinary Procedure and the continuing management of sickness absence, as set out in the Authority's Sickness Absence Procedure, enables the Authority to continue to effectively manage short and long term absence. These procedures were reviewed during 2019/20 to ensure they were fit for purpose.

- 20 The Authority has an Employee Assistance Programme (EAP), which is currently provided by Health Assured and offers the following services to all employees and their immediate families:

- 24/7 telephone support;
- legal information;
- structured telephone counselling;

- management support;
- face to face counselling;
- on-line counselling;
- active care – early intervention for stress; and
- on-line health portal.

MANAGING MENTAL HEALTH

- 21 Mental health is still currently a much discussed topic, with nearly two-fifths of organisations having seen an increase in stress-related absence over the last year, while three-fifths report an increase in common mental health conditions. More organisations are taking steps to manage employee mental health.

Although mental health conditions are not in the top 5 reasons for sickness absence, the Authority should promote a preventative approach to health and well-being, encouraging and supporting employees using a number of tools. The Authority already does this in a number of ways including:

- providing an Employee Assistance Programme (EAP) with a 24/7 telephone service for staff, face to face counselling sessions and access to the Health Assured website for advice and signposting;
- providing an Occupational Health (OH) service and active care referrals;
- offer flexible working arrangements;
- offer health cash plan and health assessments for its employees; and
- mental health awareness eLearning modules.

During 2019/20 a health and wellbeing section was added to the monthly staff newsletter, where employees are reminded of the services provided by the Authority and signposted to other useful sources of information/support.

Over the next five years through the Authority's Business Plan 2020-2025, the Human Resources team will be focusing on health and wellbeing.

CONCLUSIONS AND TARGETS

- 22 The Authority's overall sickness absence performance for 2019/20 was above the stretch target set for the year but was lower than both public and private sector comparators.
- 23 The Human Resources section continues to ensure that managers are recording sickness absence accordingly across the board by reviewing the current procedure and providing training and coaching on how to manage sickness absence. The sickness absence procedure is regularly audited as part of the audit plan.
- 24 The Authority's employee numbers have significantly reduced since 2014/15 due to the majority of employees transferring to Lee Valley Leisure Trust Ltd (the Trust). Therefore any particular cases of long-term illness do skew the performance data.
- 25 Based on the Authority's performance in 2019/20 and the underlying positive performance for short-term sickness, it is proposed that the stretch targets for sickness absence in 2020/21 remain the same:
- Average sickness absence per full time equivalent employee: 3 days

- Total percentage of working time lost to sickness absence: 1.16%

ENVIRONMENTAL IMPLICATIONS

26 There are no environmental implications arising directly from the recommendations in this report.

FINANCIAL IMPLICATIONS

27 The financial impact of sickness absence is set out in the report and has been managed within the approved employees' budget for 2019/20.

HUMAN RESOURCE IMPLICATIONS

28 The human resource implications are detailed within the body of this report.

LEGAL IMPLICATIONS

29 There are no legal implications arising directly from the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

30 In line with the Authority's Strategic Risk Register, there is always a potential risk that insufficient human resources through high sickness levels could mean that certain corporate objectives may not be met. To mitigate this risk senior managers review long-term sickness to ensure adequate cover is in place with the necessary resources to ensure service levels are not adversely impacted. Resources are identified through the monthly budget monitoring process.

EQUALITY IMPLICATIONS

31 There are no equality implications arising directly from the recommendations in this report.

Author: Victoria Yates, 01992 709 915, vyates@leevalleypark.org.uk

PREVIOUS COMMITTEE REPORTS

Executive Committee	E/58/10	Sickness Absence Monitoring 2009/10	20 May 2010
Executive Committee	E/131/11	Sickness Absence Monitoring 2010/11	26 May 2011
Executive Committee	E/210/12	Sickness Absence Monitoring 2011/12	24 May 2012
Executive Committee	E/278/13	Sickness Absence Monitoring 2012/13	23 May 2013
Executive Committee	E/352/14	Sickness Absence Monitoring 2013/14	15 May 2014

Executive Committee	E/406/15	Sickness Absence Monitoring 2014/15	21 May 2015
Executive Committee	E/449/16	Sickness Absence Monitoring 2015/16	26 May 2016
Executive Committee	E/499/17	Sickness Absence Monitoring 2016/17	26 May 2017
Executive Committee	E/563/18	Sickness Absence Monitoring 2017/18	24 May 2018
Executive Committee	E/621/19	Sickness Absence Monitoring 2018/19	23 May 2019

LIST OF ABBREVIATIONS

CIPD	Chartered Institute of Personnel & Development
EAP	Employee Assistance Programme
FTE	Full Time Equivalent
OH	Occupational Health
LVRPA	Lee Valley Regional Park Authority
The Trust	Lee Valley Leisure Trust Ltd (trading as Vibrant Partnerships)

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