

TYNE AND WEAR FIRE AND RESCUE AUTHORITY**HUMAN RESOURCES COMMITTEE: 12 JULY 2010**

ATTENDANCE MANAGEMENT**JOINT REPORT OF THE CHIEF FIRE OFFICER, FINANCE OFFICER AND THE PERSONNEL ADVISOR**

1 PURPOSE

- 1.1 The Authority has in place an approved sickness and absence management policy and procedure, and this report is to provide Members with the outcomes of that policy for the last reporting year.

2 THE NATIONAL SITUATION

- 2.1 In order to better inform the decision-making process, the national picture with regard to sickness absence is briefly outlined in the following paragraphs.
- 2.2 ¹In the last reporting year (2008/9), the average level of employee absence has decreased by 0.2% to 3.3% (3.5% in 2007/8) of working time which equates to 7.4 days per employee, the lowest ever recorded by CIPD, although in the public sector the rate was 9.7 days per employee. This was a decrease from 9.8 days in the previous year.
- 2.3 Average absence levels generally decreased across all the main sectors, however absence in the public sector was notably higher than the private sector with highest levels found in health services at 14.8 days, Local Government at 10.7 days and Police Services at 10.2 days. The average annual absence level for manual workers was 8.6 days per employee per year, compared with 5.9 days per employee for non-manual workers.
- 2.4 The highest level of employee absence is in the East Midlands at 8.6 days, with the lowest levels recorded in the East of England, at 4.9 days.
- 2.5 The gap between the best and worst performing sectors remained significant. The best performing sectors lost an average of 2.4 days per employee, compared to over 14.0 days for the worst performing.
- 2.6 The public sector has the highest absence rate, an average of 9.7 days per employee compared to 6.4 days for the private sector. While public sector absence has fallen in recent years, it still remains a problem that costs UK employers over £13.2 billion per year. Organisational size does have a significant impact on absence rates with the smallest organisations consistently recording lower absence rates than larger ones, 5.5 days in organisations with fewer than 99 employees compared to 10.2 days for organisations with over 2000 employees.

¹ CIPD Absence Management Report 2009

- 2.7 The direct cost of absence in the public sector (based on the salary cost of absent individuals, replacement costs and lost service or production time) increased to £692 per employee from £666 in the previous year. The annual cost of absence is highest in the public sector averaging £784 per employee although this is a reduction on the previous year's figure of £906. Private sector organisations recorded the lowest annual absence costs averaging £666 compared with the previous year's figure of £663.
- 2.8 The most common cause of absence was illness, in particular minor illnesses such as colds, flu and stomach upsets for both manual and non-manual employees. The next most significant causes of short-term absence for manual workers are musculoskeletal injuries such as neck strain and repetitive strain injury followed by back pain and stress. Among non-manual workers, stress, musculoskeletal injuries, back pain and home and family responsibilities are ranked, behind minor illness, as the most significant causes of short-term absence. Back pain is the leading cause of long-term absence for manual workers, while non-work related stress is the main cause of long-term absence for non-manual employees.
- 2.9 More than 27% of employers report an increase in stress-related absence with a further 40% citing no change from previous years. The top three causes of work related stress are workload, management style and relationships at work. Organisational change/restructuring, pressure to meet targets and lack of employee support from line managers are the next most significant causes. Job insecurity has climbed steadily last year to seventh which is probably down to the labour market as a whole.
- 2.10 Absence levels were lowest where senior managers had primary responsibility for managing absence – nearly 2.3 days lower than when line managers had primary responsibility.
- 2.11 A large majority of companies were taking action to reduce absence. Return-to-work interviews were perceived as the most effective policy and in fact companies that used this policy had over 2 days less absence on average than those that did not. The involvement of occupational health services and the provision of rehabilitation programmes and flexible working opportunities are identified as the top three most effective approaches for managing long-term absence. The most commonly provided employee wellbeing benefits are occupational health support, access to counselling, flexible working, job redesign and training programmes. Private sector employees identify restricting sick pay as being one of the most effective ways of managing short-term absence whilst almost half of employers are now using trigger mechanisms to identify levels of sickness absence.

3 SICKNESS AND ABSENCE MANAGEMENT POLICY

- 3.1 The Chief Fire Officer has monitored the application of the absence management policy and can confirm that the policy, robustly applied throughout the Authority, is securing overall reductions in sickness absence and ill health retirements. It also further supports and enhances the current provision of health services such as Occupational Health, which is available to all staff.

- 3.2 The Authority, through its Occupational Health Scheme, provides comprehensive proactive health awareness programmes including welfare, counselling, chaplaincy and physiotherapy services in order to support and assist staff in the prevention of sickness absence. Additionally, the Authority has in place work-life balance schemes, which are intended to ensure that employees can balance a working life with family and other commitments.
- 3.3 Within the policy, absence and more specifically sickness absence is the direct responsibility of line managers, ensuring that they maintain regular contact with their staff during absence. There are now a comprehensive set of intervention strategies that may be employed in order to ensure that staff make a full recovery and speedy return to work. Such strategies are considered automatically at pre-determined times when an individual is on sickness absence, and are further determined by management following medical advice. During the application of the scheme Officers also take into account the terms of the Disability Discrimination Act 1995 (as amended).
- 3.4 A cornerstone of any absence management strategy is the return to work interview which this Authority has in place, and this continues to be conducted in an appropriate and confidential manner. As a continuing part of the policy, training is provided to all managers jointly by the Advisory, Conciliation and Arbitration Service and members of the HR Department.
- 3.5 Extended periods of absence can be a very traumatic time for the individual concerned. In many instances, although an individual may be mobile and able to lead a relatively normal lifestyle, they may be waiting for an appointment to see a specialist, waiting for an operation or undergoing a sustained period of physiotherapy and/or rehabilitation. During this time, employees can become depressed and anxious, mainly through lack of activity and subsequently this may directly influence their recovery and in certain instances their health may even deteriorate. It is evident on the basis of medical advice that some personnel, for example, although unable to perform full firefighting duties can however fulfil a range of valuable duties which are beneficial to the individual and the Authority. Since the introduction of the policy, many individuals have undertaken *alternative duties* during sickness absence particularly whilst awaiting further treatment or in a phase of recovery prior to returning to full normal duties.
- 3.6 An effective management system continues to continually monitor absence enabling the identification of: -
- The point at which specific management action is required based upon an individual's cumulative absence from work;
 - The points at which specific management action is required based upon an individual's continuous absence from work;
 - The point at which a review of an individual's absence is to be undertaken.
- 3.7 In order to maintain the operational effectiveness and efficiency of the Authority, personnel on long-term sick leave may be redeployed into a less physically demanding post, thus enabling any subsequent vacancy to be filled. At the conclusion of their sickness period, they are allocated a suitable posting, which may not be that from whence they originally came.

3.8 There is little doubt that firefighting is a physically demanding occupation and research indicates that aerobic capacity (the maximum amount of oxygen that an individual can take in and transport to the muscles to use as fuel) is considered to be the most important indicator of work related fitness. It is well researched and proven that aerobic capacity can be improved by taking aerobic exercise such as swimming, running, etc. Aerobic capacity measurement for serving operational firefighters is undertaken six-monthly on stations, and the results are closely monitored by the Occupational Health staff.

4 OCCUPATIONAL HEALTH AND MEDICAL SUPPORT

4.1 Members will be aware that the Authority introduced an Occupational Health Scheme in 1994, which provides a pro-active integrated holistic approach in all health matters for all employees. Occupational health also forms an integral part of the management of health, safety and welfare for all members of the Authority. Under the Health and Safety at Work etc Act 1974, employers have a duty to:-

- Ensure the health, safety and welfare of all employees so far as is reasonably practicable; and
- Ensure that other people are not exposed to risks to their health and safety from their employer's work.

4.2 Occupational health is having a positive effect upon overall health care by creating an environment which encourages individuals to actively seek support from the most appropriate source, and engendering a 'fit for life' attitude. However, despite all the facilities available, there are a number of occasions whereby an individual's health problem can only be resolved by referral to the National Health Service. Although NHS waiting times are being reduced, there are delays in the treatment of individuals. This is particularly evident when the treatment is considered to be of a non-urgent nature, e.g. musculo-skeletal conditions, despite the fact that it prevents an employee from undertaking an operational role.

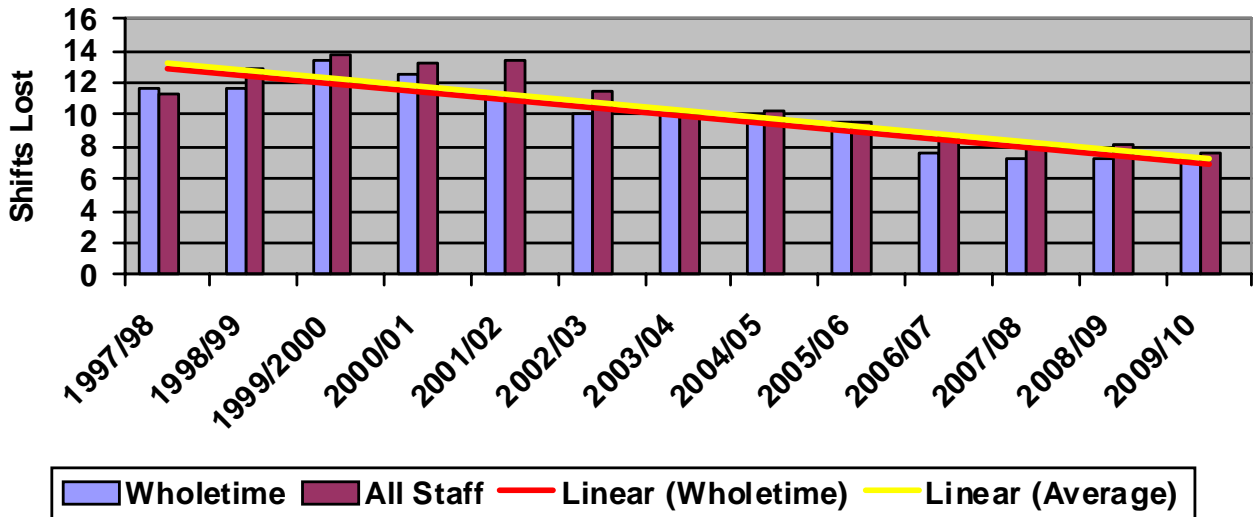
4.3 Earlier intervention can lead to a faster recovery thereby reducing the overall sickness burden upon the Authority by getting people back to work more quickly than they would have ordinarily been. This is dependent upon early precise diagnosis of the sickness/injury being made and commencement of the appropriate treatment.

The introduction of the medical support scheme has provided assistance to a number of employees allowing early access to a Consultant and, where appropriate, medical procedures. This has enabled an early comprehensive diagnosis of a medical condition to be made and then the identification of the most appropriate treatment, thereby reducing the potential for aggravating and prolonging the condition. The Authority also benefits from this scheme by obtaining an early accurate assessment of the likely duration of the absence and, at the same time, creating a positive support mechanism to reduce the absence levels of those individuals on long-term sickness absence.

4.4 A case study, relating to a firefighter suffering from a knee injury, indicates that the costs incurred without additional support are around £25,000, i.e. twelve months lost working time. The same case dealt with under this scheme reduced the cost by some 50% having secured early intervention and remedial treatment.

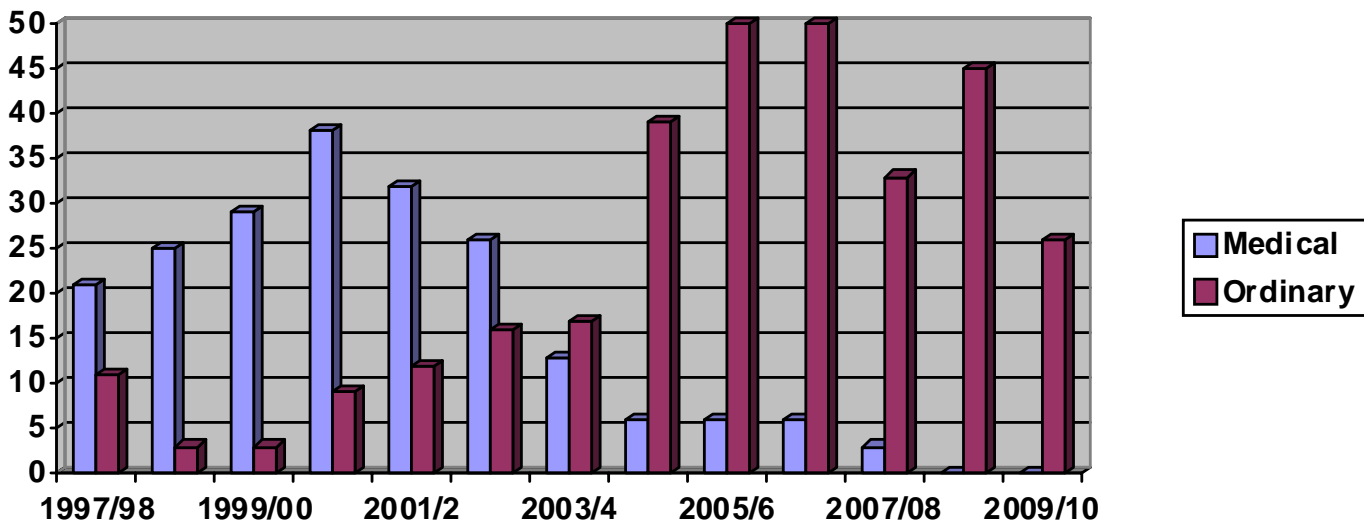
4.5 All of the aforementioned has helped to reduce absence within the Authority in recent years. The current absence rates are 7.33 shifts/days lost for operational staff and 7.65 shifts/days lost for all staff which shows an overall reduction of 0.51 shifts lost from the previous year. The graph below gives an indicative view of absence rates in the Authority compared to previous years.

Figure 2 - Tyne and Wear Sickness Absence Rates



5 RETIREMENTS

5.1 The chart below shows the retirement profile of this Service from 1997.



5.2 This quite clearly shows a substantial increase in medical retirements up to 2000/01, with medical retirements accounting for over 70% of all retirements from the wholetime service. Due to the pro-active approach taken by senior management assisted by the dedicated efforts of the Occupational Health Team, since 2000/1 the number of medical retirements have been decreasing year on year, culminating in a radical reversal of the trend whereby there are now proportionately less medical retirements than ordinary retirements. The last 2 years has seen no ill health retirements from the operational workforce at all.

6 FINANCIAL IMPLICATIONS

- 6.1 Absence costs on average £864 per employee per year. However the initiatives the Authority has in place and the robust but fair applications of the policy ensures that the costs are minimised as far as practicable and that further efforts will be made to ensure a year on year reduction.

7 EQUALITY AND FAIRNESS IMPLICATIONS

- 7.1 There are no equality and diversity implications by virtue of this report.

8 HEALTH AND SAFETY IMPLICATIONS

- 8.1 The health and safety implications are contained within the body of this report.

9 RISK MANAGEMENT

- 9.1 A risk assessment has been undertaken to ensure that the risk to the Authority has been minimised as far as practicable. However, the inability to reduce sickness absence levels may result in a failure to achieve set targets and adversely affect performance indicators. Further there is a likely negative effect on operational efficiency and staff morale may also suffer. Finally, high levels of absence can impact on the Service's reputation. Therefore, the risk to the authority remains high and every effort is being made to reduce this risk. The complete risk assessment is available on request from the Chief Fire Officer.

10 CONCLUSIONS

- 10.1 The Chief Fire Officer is pleased to report that, in terms of sickness absence, the trend is down and all efforts continue to be focussed on further reductions this year with sustainable reductions in future years. With regard to ill health retirements, again the trend is down and it is likely that the target will be exceeded. However, the Authority experienced an unusually high number of corporate support staff retirements in previous years which is now being carefully and fairly managed to more acceptable levels.

11 RECOMMENDATIONS

- 11.1 Members are requested to: -

- a) Endorse the actions taken;
- b) Consider whether or not to make further reviews/recommendations in respect of absence management;
- c) Receive further reports as appropriate.

RELATED DOCUMENTS

The undermentioned documents relate to the subject matter of the above report:
Creating the Safest Community

- National absence monitoring data (CIPD 2009)
- Internal Absence Monitoring data

