AGENDA ITEM NO.5

BRISTOL CITY COUNCIL

HUMAN RESOURCES COMMITTEE

For Resolution

8 July 2010

Report of: Strategic Director: Resources

Title: Options for provision of Sickness Absence Line

Officer Presenting Report: Annie Harris, HR Adviser, Strategic HR
Chris Dagger, HR Business Partner

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RECOMMENDATION

Committee is asked to:

(1) Consider the report of the SASL Working Party (Appendix A attached).

(2) Endorse the SLT decision not to implement a sickness absence line (at the present time).

(3) Note the management training being provided in areas of high sickness absence in H&SC and CYPS. Training provided to date is as follows:

- 23rd April 2010 - attended by 20 managers
- 16th June 2010 - attended by 12 managers
- 22nd June 2010 - attended by 12 managers

Further courses are being arranged for June, July and August.

(4) Note that managers will receive regular information from the STS regarding sickness absence levels in service areas where sickness exceeds the Council's required performance standard.

(5) confirm whether members wish to receive a report in January 2011on sickness absence activity across all directorates.

Summary

The Working Party Report on managing sickness absence considered two options for the in-house provision of a sickness absence line, and recommended monitoring sickness absence for three months, and if necessary implementing option 1 (a line staffed by STS with the option of immediate referral to OH - please see attached report of Working Party).

SLT decided not to approve an in-house sickness absence line, and commented that it was a managerial responsibility to manage attendance.

The significant issues in the report are:

- Sickness absence figures have reached a plateau since the discontinuation of the sickness absence line on 31 January 2010.
- Resumed provision of this line would incur costs, both HR and financial.
- Managers are paid to manage attendance and it is their responsibility to do so.

1. Policy

1.1 The Managing Attendance Policy clearly states it is a manager's responsibility to manage attendance effectively and in accordance with the policy.

2. Consultation

2.1 **Internal**

During the second Sickness Absence Pilot the Trade Unions expressed concern about the continuing use of a Sickness Absence Line. The trade unions therefore supported the discontinuation of the Sickness Absence Line at that time.

The outcome of the review undertaken by the Working Party was discussed with the trade unions on 18 June 2010.

2.2 **External**

Not applicable.

3. Context

3.1 A sickness absence support line was piloted from 2 February 2009 to 31 January 2010 in some areas of Health and Social Care, and was extended from August 2009 to include some areas of CYPS.

3.2 When the pilot terminated in January 2010, the responsibility for receiving and recording sickness absence reverted to Service Managers in H&SC, CYPS and Resources (Legal Services), on the understanding that Service Managers be given further training in relation to the management of Sickness Absence.

3.3 At its meeting on 25 March 2010 it was noted that the HR Committee "were surprised that it *[the sickness absence line]* had been discontinued".

3.4 Members resolved that a report be presented to the Committee in July 2010 on (1) the outcomes of the review and (2) that further information be presented on the cost benefit of the scheme. In relation to (2) the best estimate (based on the external provider's actual costs), savings would be in the region of £68K per 6 months. This figure is based on backfilling of all sickness absence, and it should be stressed that this figure does not take into account the Council resources required (HR, HR Systems, ICT) to set up and support provision of the line, which would reduce this saving.

3.5 A Working Party was set up comprised of Annie Harris, HR Adviser, Strategic HR; Liz Steeds, Operations Manager, STS; and Gail Portingale, Occupational Health Manager. The Working Party's brief was to consider whether it was appropriate to utilise a sickness absence line on an on-going basis, and to see whether or not this facility could be (re)introduced on an in-house basis rather than through an external specialist health care provider. It was suggested that the possibility of using the HR STS and/or Occupational Health should be explored as possible in-house solutions.

3.6 SLT considered the Working Party's report on 15 June 2010 and decided not to agree the proposal for provision of an in-house sickness line.

4. Proposal

4.1 That sickness absence is monitored and managed in accordance with the Managing Attendance Policy.

4.2 Members wish to receive a report in January 2011 on sickness absence activity across all directorates.

5. Other Options Considered

5.1 In considering its recommendations the Working Party looked at the options of:

a) Provision of a sickness absence line staffed by STS with referral to OH as necessary.
b) Provision of a sickness absence line staffed by OH.

5.2 The Working Party met with representatives of an external provider, but decided that the product offered was not appropriate.

5.3 In considering other options Members should be aware that a Sickness Absence Line could be introduced for the purpose of recording calls from employees who are absent sick. This would be a referral and monitoring facility only. Alternatively the Sickness Absence Line could be (re) established on the basis that employee calls are received by OH practitioners who, in addition to recording the absence, also give basic health advice. This latter arrangement was a system used during the pilot SASL run on the Council's behalf by an external provider.

5.4 Based upon current sickness absence levels within the City Council, which are generally good, it is the view of the former Service Director: Strategic HR & Workforce Strategy, that a Sickness Absence Line would not be viable on a council-wide basis, and could only be re-introduced on a bespoke basis or for directorate service areas where sickness absence levels are high.

6. Risk Assessment

6.1 Inefficient or ineffective management of sickness absence will be costly. The current training programme will reduce this risk - please see report for Working Party.

7. Equalities Impact Assessment

7.1 There will be no adverse impact on any employee if the Managing Attendance Policy is implemented fairly.

Legal and Resource Implications

Legal

There are no direct legal implications arising from this Report. The Council's Managing Attendance Policy and Procedure provides clear guidance to managers and staff in dealing in sickness absence.

Advice from Husinara Jones for Head of Legal Services

Financial

(a) Revenue:

There are no direct Financial implications arising from this report.

Improved information on sickness absence and further training for managers should bring about reductions in levels of sickness, with associated reductions in costs.

The cost of the Sickness Absence training programme for managers will be funded from existing training budgets.

Advice from Stephen Skinner, Finance Business Partner Resources, Transformation and Deputy Chief Executive

(b) Capital:

Not applicable.

Land

Not applicable.

Personnel

Reducing sickness absence will remove pressure from colleagues who have to cover absentees.

Appendices

A Report from working party June 2010.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
Background Papers:

None

SASL Appendix (5) A – Report of Working Party

Bristol City Council

Options for managing sickness absence
Report of the working party June 2010

Purpose of the report

To advise on the options available for managing attendance more effectively following a decision by SLT to discontinue provision of a sickness absence support line by an external provider.

Background

A sickness absence support line was piloted from 2 February 2009 to 31 January 2010 in some areas of Health and Social Care, and was extended from August 2009 to include some areas of C&YPS. The Service Director (HR) advised SLT that there was “no business case which would justify the ongoing provision, by an external provider, of a sickness absence support line for the Council as a whole. However, the continuation of a support line could be supported if the new contract provided flexibility to address those workgroups where sickness absence remained high".

At its meeting on 22 December 2009 the Strategic Leadership Team agreed :-

(i) To discontinue the provision of a sickness absence support line by an external provider. HR to ensure that managers in those services where pilot arrangements have been in place are firmly reminded of their responsibilities in relation to sickness absence management. Close monitoring arrangements would need to be in place.

(ii) That (via the STS centre), a proposal for an in-house support line to be investigated. (This proposal is now under review by staff from Strategic HR, the STS HR function, and from Occupational Health).

At their meeting on 25 March 2010 it was noted that the HR Committee "strongly believed that the pilot scheme had been successful as the service had cost approximately £70,000 and saved £352,690 …., and were surprised that it *[the sickness absence line]* had been discontinued”.

Statistics collated to the end of March 2010 show that sickness absence in the pilot areas has plateaued since the discontinuation of the sickness absence line on 31 January 2010. This is insufficient to establish long-term trends, and it is proposed to monitor sickness absence for a further three months, to the end of August 2010, to gather further information. In the meantime, options can be considered should longer-term measures be necessary to manage areas of high sickness absence.

A working party was set up to consider options, including the proposals for an in-house support line for managing attendance, which comprised Gail Portingale (OH & C Manager), Liz Steeds (Contact Centre Manager, STS) and Annie Harris (HR Advisor, Strategic HR).

Options

The working party identified two in-house options:

i a sickness absence line staffed by STS with immediate referral to occupational health where appropriate (variation: initial call to automated system)

ii a sickness absence line staffed by occupational health

The processes, estimated costs, advantages and disadvantages of each of the options are given below along with any relevant further information.

Other Options

External provision

The working party were directed to discuss provision of an external service with representatives from Jelf and AXA. However, the service was an automated reporting system and is not thought appropriate at the moment.

There is the option to invite tenders to provide a SASL, but the process will take 8 - 12 months. If there is external provision of a sickness absence line BCC would still need to provide employee resources (IT, OH, HR).

i Sickness Absence Line staffed by STS with immediate referral to occupational health where appropriate/requested

Process

- employee rings dedicated number at STS.
- scripted information taken by STS staff
- information sent by STS staff to employee's manager/message box for line manager and deputy
- immediate referral to occupational health for support or advice where appropriate or requested made by STS staff /call back OH to employee within set timescales
- information input directly into payroll by STS staff
- manager maintains contact with sick employee and handles sickness absence procedure thereafter
- manager to contact STS giving date of return to work and outcome
- trigger points reports will be generated by STS.

Costs

Telephony starter costs	£4,000.00
Desktop licences £341.51 x 3 =	£1,024.53
Testing	£600.00
Dedicated STS staff at BG6:	£15,895 - £16,991 x 3
	= £47,685 min – £50,973 max + on-costs

There will be a saving on costs of completing absence return forms/ inputting by managers.

A nurse (0.3fte) will be available to call absentees at pre-defined times during office hours where requested. This can be scheduled to suit specific requirements within the organisation. The cost for OH &C would equate to approximately £25 per hour.

Please see appendix A for staffing costs for OH.

Advantages

- Initial absence managed by central resource; manager freed up to arrange cover and deal with absence at a prearranged time.
- Initial contact is with less expensive non-medical staff with immediate referral to medical practitioner as required.
- Efficient information dissemination to appropriate parties.
- Uses the technology that managers are familiar with.
- IT resources readily available.

Disadvantages

- service can only be provided during office hours. Need alternative arrangements for shift workers etc.

Other information

This is a notification line with the option of medical support, which is believed to be a cost-effective use of medical practitioner time.

If adopted, it is suggested a pilot scheme is run for six months in identified hotspot/s.

Scheme to be rolled out department by department thereafter, fully operational within 12 months of adoption.

Resourcing to be adjusted as appropriate following pilot scheme.

In future all STS staff to be trained in initial contact regarding sickness absence.

Implementation

OH staff are currently in place (0.3fte needed) and would need training (I day on the system). They would need to remain based within the OH service.

Telephony and related message boxes to be set up and tested.

Information on the new system disseminated to all employees in pilot.

Variation on process for option i

Use of an automated answer phone system for employees to initially report absence. The recorded conversation can be attached to an e-mail and sent to the line manager and deputy.

The cost for 5 mail boxes (one for each directorate) will cost approx £846-00, plus £125 per year.

An initial pilot to ensure that it meets requirements is recommended, and only a proportion of the cost would be charged for this.

Although it is acknowledged that at the moment this may not be an appropriate option, the panel explored it to form a view as to whether it is an efficient and cost-effective option, which it is considered it would be.

ii a sickness absence line staffed by occupational health

Process

- employee rings dedicated number at OH.
- scripted information taken by OH staff
- information sent by OH staff to employee's manager/message box for line manager and deputy
- information sent to payroll/STS by Manager
- manager maintains contact with sick employee and handles sickness absence procedure thereafter
- manager to contact STS giving date of return to work and outcome
- trigger points reports will be generated by STS.

Costs

Telephony starter costs	£4,000.00
Desktop licences £341.51 x 3 =	£1,024.53
Testing	£600.00
Dedicated OH staff	£136,500

Please see appendix A for detailed staffing costs for OH.

Advantages

- Initial absence managed by central resource; manager freed up to arrange cover and deal with absence at a prearranged time in more depth.
- Efficient information dissemination to appropriate parties.
- Uses the technology that customers are familiar with.
- IT resources readily available.

Disadvantages

- Initial contact is with more expensive non-medical staff, which will not be necessary in every case eg headache, cold, sprained ankle
- Requires medical staff to engage in a range of non-medical tasks
- Service can only be provided during office hours. Need alternative arrangements for shift workers etc.
- Managers may feel that managing attendance is not their problem
- It does not assist culture change within the organisation.
- There is no evidence that any medical advice given made a difference to the length of absence/incidence of absence
- The purpose of the line is not to support employees medically. Employees can go to the doctor/chemist for medical advice, contact the NHS direct line or use the NHS walk-in facilities

Implementation:

OH staff would need training (I day on the system).
Telephony and related message boxes to be set up and tested.
Information on the new system disseminate all employees.

For both options:

Protocols need to be in place regarding contact for employees working non-standard hours eg deadlines for reporting sickness absence in a timely fashion for shifts.

Reasonable adjustments would need to be made for disabled employees / managers using the systems.

Management training

To support improved management of absence, a programme of training is being rolled out to managers in areas of H & SC and C&YPS. To date, one course has been attended by 20 people. Feedback is that they found having representatives from OH and HR extremely useful, as was gaining the understanding or the challenges facing OH and HR.

All produced and committed to action plans, which will be followed up in 1 month and then again in 3 months.

Almost all of the managers committed to giving advice and coaching to their supervisors to help them to carry out more effective RTW discussions.

A further two sessions have already arranged for June and further dates for training are being arranged.

It is important to note that management training is one step in improving management of absence. Regular and ongoing monitoring is required to prevent absence rates rising. Please see Appendix C for further information.

Appendix D gives information regarding a pilot scheme at an NHS Trust. It raises questions regarding the reasons why absence is driven down by such interventions eg is it partly down to improved recording and reporting, and also mentioned strengths of the system eg highlighting areas of poor management.

Views of Interim Strategic Director - Health and Social Care

Cathy Morgan has informed us:

"Having spoken to my staff who were involved in the pilot, the SASL did impact on reducing our sickness rates but we were also working hard to improve management monitoring of sickness absence at the same time. We would support a continuation of the scheme as it does support management action particularly in teams with high numbers of staff who work remotely (e.g. home care)".

Either of the options would provide support in this area.

Trade union consultation

This report will be taken to the TU meeting on 18 June 2010.

It was agreed by the HR Committee that they will receive a further report regarding this matter in July 2010.

Appendices

A OH costs
B Sickness absence statistics for the period 1 February - 30 March 2010
C Looking to the future and fostering culture change
D Research into pilot studies

Authors

Annie Harris (Strategic HR), Gail Portingale, (OH), Liz Steeds (STS).

SASL & Occupational Health Activity

Appendix A (i) of Report of Working Party

OH taking all calls for HS&C

Trial period	6 months
Number of calls per day	15
Number of minutes per call	10
Total number of minutes per day	150
Total number of hours per day	2.5
Total number of hours per week	12.5
Cost of Nurse time time per hour	£25
Cost of Nurse time time per day	£62.50
Cost of Nurse time per week	£312.50
Cost of Nurse time per annum	£16,250
Cost of Nurse time for 6 months	£8,125
FTE	0.3FTE

OH taking all calls for all Directorates

Trial period	6 months
Number of calls per day	127
Number of minutes per call	10
Total number of minutes per day	1270
Total number of hours per day	21
Total number of hours per week	106
Cost of Nurse time time per hour	£25
Cost of Nurse time per day	£525
Cost of Nurse time per week	£2,625
Cost of Nurse time per annum	£136,500
Cost of Nurse time for 6 months	£68,250
FTE	3FTE

OH call back option for HSC based on 50%

Trial period	6 months
Number of call backs per day	7.5
Number of minutes per call	10
Total number of minutes per day	75
Total number of hours per day	1.25
Total number of hours per week	6.25
Cost of Nurse time per hour	£25
Cost of Nurse time per day	£31.25
Cost of Nurse time per week	£156.25
Cost of Nurse time per annum	£8,125
Cost of Nurse time for 6 months	£4,062.50
FTE	0.15FTE

OH call back option for all Directorates based on 50%

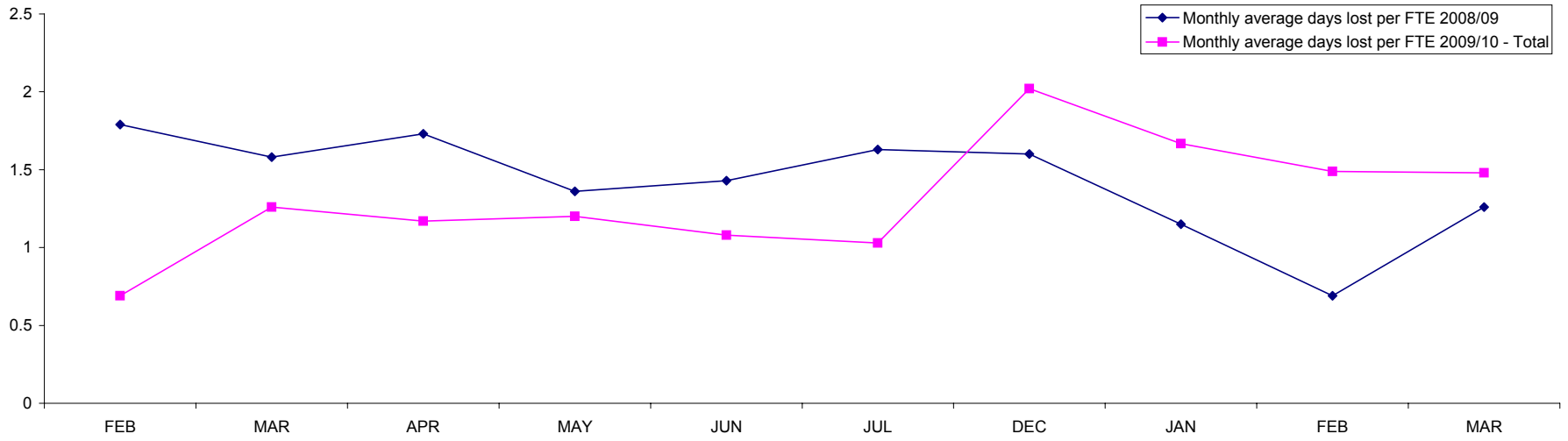
Trial period	6 months
Number of call backs per day	63.5
Number of minutes per call	10
Total number of minutes per day	635
Total number of hours per day	10.5
Total number of hours per week	52.5
Cost of Nurse time per hour	£25
Cost of Nurse time per day	£262.50
Cost of Nurse time per week	£1,312.50
Cost of Nurse time per annum	£68,250
Cost of Nurse time for 6 months	£34,125
FTE	1.5FTE

Bristol Council Pilot - Absence Rate Comparison

Appendix B(i) of Report of Working Party

Monthly Absence Rate per FTE

	FEB	MAR	APR	MAY	JUN	JUL	DEC	JAN	FEB	MAR
Monthly average days lost per FTE 2008/09	1.79	1.58	1.73	1.36	1.43	1.63	1.6*	1.15*	0.69	1.26
Monthly average days lost per FTE 2009/10 - Total	0.69	1.26	1.17	1.2	1.08	1.03	2.02	1.67	1.49	1.48
Monthly average days lost per FTE 2009/10 - H&SC	0.76	1.38	1.27	1.35	1.2	1.13	2.43	1.85	1.65	1.66
Monthly average days lost per FTE 2009/10 - Legal	0.34	0.68	0.69	0.44	0.45	0.52	1.05	1.21	1.23	0.89
Monthly average days lost per FTE 2009/10 - CYPS							0.92	0.89	0.67	0.88



*Estimate due to restructuring in pilot areas

Appendix C (i) – Report of Working Party

Looking to the future and fostering culture change

IPD research suggests the most effective ways to reduce absence are:

- reliable trigger point information being available to management
- return to work discussions held after every absence
- management commitment to doing it.

No system will be effective longer term without the above being firmly embedded. There is no substitute for managers managing sickness absence. The main drivers for employee behaviour regarding sickness absence are management capability and employee attitude.

Training requirement

Managing attendance is an important part of a line manager's role, and they should be effectively trained and monitored in this part of their job.

Training managers to be effective in this area provides a long-term solution to managing attendance and dealing with sickness absence.

Culture change

This can contribute to changing the culture of the organisation when managers are actively engaged in working alongside their staff to deliver a high-quality service through assisting them to maximise their attendance and dealing with any personal issues, life crises, emerging impairments or bouts of ill-health in a positive way.

It is also important that managers are seen by their staff to be managing sickness absence and maximising attendance of the workgroup. Sickness absence impacts on the workgroup, as colleagues have to cover the work of the absent employee, and

there may also be an adverse effect on service delivery which can reflect badly on the group.

The working party considered the reasons why the SASL was successful to begin with. It was staffed by Registered Nurses, some of whom were trained in occupational health, but a more important strand may be that the absence was followed up at regular intervals. Maintaining contact is included in the Managing Attendance policy but it is not always followed by managers and employees.

Dealing with sickness absence is only part of managing attendance - there are also issues of encouraging maximum attendance throughout the year and seeking ways to assist employees to continue working eg work life balance arrangements, temporarily reducing working hours etc.

The working party wish to make two points:

- The pilot SASL was successful in reducing sickness absence in the first six months, although there is some evidence that its effectiveness reduced thereafter. Any short term intervention will plateau out.

- A Sickness Absence Board, chaired by a Chief Officer, was set up some years ago and was helpful in reducing sickness absence. Each directorate reported levels of sickness absence and action being taken. However, when the Board was discontinued absence rates rose again.

The above demonstrates the importance of making managing attendance an important part of management responsibility on an ongoing basis, rather than introducing a variety of measures which will not enhance management competence or deal with issues on a longer-term basis.

Appendix D (i) of Report of the Working Party

Pilot studies into the provision of a Sickness Absence Support Line

Sickness Absence Support Lines are being trialled in many different areas of public and private service, though different models are tailored to suit the organisation. For example 'A Pilot Study into Improving Sickness Absence Recording in NHS Acute Trusts' (HSE 2007).

The pilot combined 3 separate elements of absence management:

1. Telephone reporting by employees at the start of sickness absence

2. Automatic prompting by email, and if required by ‘phone, to line managers and to occupational health whenever defined trigger points were breached on an individual basis.

3. Real time summary reports identifying trends, enabling managers and occupational health to review overall attendance data, and to take appropriate action at both individual and organisational levels.

The hypothesis was that a more co-ordinated, timely and consistent approach to absence management could result in the earlier use of support and rehabilitation programmes for individuals, leading to a possible reduction in overall sickness absence levels.

The pilot was predominantly led by the Occupational Health departments in each Trust as their own experiences from their clinical practice, was that referrals to OH from line managers were frequently inconsistent, in relation to timing and subsequent management follow up.

A company provided the call centre and software package (*Absencia).*

The process was managed by management personnel, occupational health and human resource representatives from two NHS Trusts.

The call centre asked a series of scripted but conversational questions and recorded details of the absence, as well as advising on arrangements for support services provided by the Trust, e.g. Employee Assistance Programmes, occupational health, physiotherapy, counselling, etc.

The line manager was required to email the call centre immediately upon the employee's return to work, to close the absence. The software queried long

absences, in case the manager had inadvertently over looked the requirement to close the spell.

The pilot ran for 6 months, during which equated to an absence level of 4.5%.

Within one of the NHS Trusts the average sick absence rate as recorded by the call centre over the six month project was 4.45%, whilst the hospital manpower system during this time for the same population group gave an all un-planned reasons absence rate of 7.1%.

In this sense the call centre process could be described as reducing absence levels because it was recording true sickness absence rates, but it is unclear whether the call centre system actually reduced absence rates during the short study period or just provided more accurate recording of the absences.

However, the system readily highlighted attendance management failings whenever sickness absence trigger points had been breached and it also rapidly highlighted individual cases that could be supported with much earlier occupational health related interventions.

This was a pilot study aimed at assessing the benefits and problems that may arise from the introduction of a different absence management process. Their difficulties mirror the problems found by the Bristol City Council DHS six month pilot in that:

- acceptance of the management of attendance role by line managers was not universal and the implications and scope of responsibilities were not always fully understood

- rostering and the challenge of coping with complex patterns and types of shifts of varying duration were difficult but the call centre process was able to do this

- there needs to be a tie-in to the payroll system

A satisfaction survey of staff and managers gave qualified endorsement of the system, but it was recognised that the value of an absence recording / call centre process is in its stimulus for better management of absence rather than in immediate cash savings.