

## **ANNEX: Management and Monitoring of Sick Absences**

*Paper from the Director of HR Services*

### **Purpose**

1. At their meeting in February the Management Board considered the sick absence figures for the House of Commons and PICT, and asked why the percentage of absence relating to long term sick (LTS) absence were significantly higher than the public sector average.
2. This paper also provides the Management Board with information about future planned improvements in the management of sick absence in the House

### **Action for the Board**

3. Management Board are invited to note the:
  - note the explanation for the statistics
  - endorse the immediate actions identified to improve management and monitoring of absence under the current Staff Handbook procedures
  - note proposals for future policy development.

### **Consultation and equality analysis**

4. Where this paper reports on current procedures no consultation or Equality Analysis is required.
5. The paper also briefly outlines future plans for the development of Absence Management policy and appropriate consultation and an equality analysis will be undertaken as part of this policy development.

### **Statistics**

6. The Management Board asked why the percentage of absence relating to long term sickness absences were significantly higher than the public sector average. The Board requested an investigation of the reasons for high long term sickness absence including:
  - the average total number of days lost
  - a summary of issues and cases, distinguishing between physical and mental health issues.

### **High level of Long Term Sick (LTS)**

7. LTS is defined as 20 days or more off sick. Detailed analysis of the list of current LTS cases showed a number of staff marked as “AC”, meaning

“awaiting certificate”. Line managers are chased for returns by HR but in some cases they had not yet been received. In these cases the “sick period” had not been shut down, and continued to register as an absence. Some of these were showing up to 40 days, but in fact accounted for only one or two days sick. The figures have now been adjusted. This does however show the importance of line managers submitting certificates as quickly as they can, both for monitoring, and pay purposes.

8. Once these adjustments had been made, the average number of working days lost per FTE fell to 6.8 days.<sup>1</sup> Figure One shows the number of days lost per FTE per year over the last three years.

**Figure One: Days lost through LTS, Feb 2009 – Jan 2012**

Year	Average of working days lost per FTE per year between 1 Feb 2010 and 31 Jan 2011	% absence totals due to long term absence
1 February 2009 – 31 January 2010	7.1	48.3
1 February 2010– 31 January 2011	7.0	50.5
1 February 2011 – 31 January 2012	6.8	49.2

9. Surveys vary as to the amount of absence they find attributable to LTS. The CBI/AXA annual absence survey found that long term absence accounts for 50% of working time lost in the public sector. Of the 12,303 days lost in sick absence in the last 12 months, 6,193 days were through LTS This was 50.3% of the total days lost due to sick absence. This is consistent with the CBI/AXA findings. However the CIPB survey found only 33% of working time lost was due to LTS. Statistically, as we reduce the number of overall days lost, the number of days lost through LTS may increase, although we are proactively managing both short term, and long term, absence.
10. A recent CIPD Absence Management Study found that a larger proportion of manual workers’ absence is long term compared with non-manual counterparts. Of the 109 staff who had periods of LTS in the House between February 2011 and January 2012, **53%** were in Facilities (see Figure Two), and Facilities staff accounted for **60% of all LTS days**. This contributes towards the House of Commons having a higher percentage of LTS, despite having lower overall rates of sick leave per person.

<sup>1</sup> It should be borne in mind, however, that many staff work part-time, so using headcount figures the average number of days lost per person in the 12 month period was 5.8.

**Figure Two: LTS by department, Feb 2011 – Jan 2012**

	DCCS	DF	DFin	DHRC	DIS	Other offices	PICT	Total
Number staff with LTS	12	58	3	5	21	1	9	<b>109</b>
Total staff in dept (headcount)	556	634	64	99	447	37	278	<b>2,115</b>
% of staff in dept with LTS	2.2%	9.1%	4.7%	5.1%	4.7%	2.7%	3.2%	<b>5.2%</b>
Number of days	702	3,689	133	186	1,076	43	364	<b>6,193</b>
% of total days	11%	60%	2%	3%	17%	1%	6%	<b>100%</b>

11. Interdependencies also include :

- abolition of statutory retirement age (older workers may now decide to continue work unless ill health prevents them from doing so)
- industrial staff (including CRS and PED in Facilities) where illness which might not be debilitating in other roles prevents staff from adequately performing in their more physically demanding role.
- working in public-facing roles or with children so contracting more illness
- working in areas that require staff to stay away from work to avoid passing their condition on to service users (CRS)
- sick absence rates decrease as salary increases – higher paid staff tend to work in areas which provide them greater flexibility to manage their attendance, for instance in being able to work from home if they are feeling poorly so do not want to travel.

12. Overall figures across the House and PICT showed 5.2% of staff had a period of LTS. The average length of LTS was 51.6 days. The average number of days lost per person with LTS was 56.8.<sup>2</sup>

Causes

13. The recent CIPD Absence Management Study found that stress is, for the first time, the most common cause of long-term sickness absence for both manual and non-manual employees. The study also found that stress was a particular challenge in the public sector where the amount of major change and restructuring appeared to be the root cause.<sup>3</sup>

14. In the House of Commons and PICT, “stress” is the fourth most common cause of absence among staff currently on LTS in terms of total number of days lost attributed to this cause (see Figure Three), and the sixth most common cause of all days lost to LTS in the last 12 months (see Annex A). Taken together stress and depression account for 15% of the total days

<sup>2</sup> Some staff had more than one period of LTS in the year

<sup>3</sup> CIPD and Simplyhealth Absence Management Annual Survey Report (October 2011)

lost to LTS in the last 12 months, and 11% of the amount of total days lost for staff currently on LTS (see also Annex A).

**Figure Three: Days lost through LTS in last 12 months**

<b>Cause</b>	<b>Days lost</b>	<b>Number of cases</b>	<b>Average (mean)</b>	<b>Average (median)</b>
Injuries	309	5	77	49
Operation	303	2	151	-
Back pain	253	1	-	-
Stress	152	3	51	40
Muscle/Ligament	126	1	-	-
Eye disorder	4	1	-	-
Spinal/Joint Disorders	94	2	47	-
Therapy/ Treatment	65	2	32.5	-
Menstrual/ Gynaecological	55	1	-	-
Awaiting Certificate	49	2	24.5	-
Depression	28	1	-	-
Neural problems	23	1	-	-
Stomach/Bowel/ Diarrhoea	22	1	-	-

15. Mental conditions also make up 20% of the referrals to SHWS (see Figure Four). In additions to the figures above Welfare have 17 work related stress cases & 7 CBT cases - they are usually (but not exclusively) self referrals

**Figure Four: Referrals to Occupational Health (excluding Welfare) from House of Commons staff, Feb 2011 – Jan 2012**

<b>Month</b>	<b>Physical</b>	<b>Mental</b>	<b>Trigger Point</b>	<b>Return to Work</b>
Feb 2011	5	4	1	0
March 2011	6	1	2	0
April 2011	2	1	0	0
May 2011	6	0	0	0
June 2011	2	1	0	0
July 2011`	3	0	0	0
Aug 2011	4	2	0	0
Sept 2011	5	3	1	0
Oct 2011	2	2	6	0
Nov 2011	15	3	5	0
Dec 2011	8	2	1	0
Jan 2012	12	3	0	2
<b>Total</b>	<b>70 (64%)</b>	<b>22 (20%)</b>	<b>16 (15%)</b>	<b>2 (2%)</b>

16. The HR Advisers have been working proactively to help line managers manage short term absences, and to work with departments to resolve long term sick absences. Of the 109 staff with LTS during the last 12 months, 19 (17%) have now left.<sup>4</sup> Most have returned to work.

### Action for the Future

17. The Health and Safety Executive emphasises that the key factors in managing long term absences are:

- for line managers to keep in contact with the employee from an early stage (normally after seven days of absence) and maintain regular contact to discuss their wellbeing and return to work thereafter
- tackling long term absence early (within 3-4 weeks) to ensure the employee doesn't lose confidence in being able to return, and that professional advice (such as occupational health) is available where needed at this point, to help the employer make informed decisions
- agreeing a return to work plan that has a fixed time-scale with the employee, and ensuring the plan draws in professional expertise (counselling etc.) to assist.
- maintaining a prompt and co-ordinated approach from the line manager, HR and occupational health.

18. The current Staff Handbook reflects the above best practice. Although in some cases line managers continue to believe that managing sick absence is an HR rather than line management issue, in most cases HR and line managers are now working together to resolve issues. We recognise however that this sometimes means sections having to accommodate staff whilst they are being taken through absence procedures.

19. The Staff Handbook also states that managers **must** refer staff to SHWS if staff :

- are suffering from stress, depression, fatigue, or work related injury or condition
- have been off work for four consecutive weeks or more
- are in hospital

20. Our records show that at least 109 staff should have been referred to SHWS under these procedures. SHWS have seen 110 staff in the last year. However, not all staff suffering from LTS were seen. If all staff who should be referred under our Staff Handbook procedures were to be referred then there would be an implication for the resourcing of SHWS.

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<sup>4</sup> These have been managed through a number of routes.

21. The Institute for Employment Studies recommends tackling long-term and short-term absence differently and finding the most appropriate forms of intervention.<sup>5</sup>
22. There is not a direct correlation between the length of LTS and successful return to work as it depends on a number of factors (for instance someone may be off for some time because of an operation but this is a one-off and once recuperated the person returns to completely satisfactory service). However, statistically once someone has been absent for six months or more they are less likely to return to work.
23. One of the proposals from an independent review aimed at reducing the cost of sickness to employers, taxpayers and the economy by health and business experts Dame Carol Black and David Frost was to reconsider the public sector sick pay schemes in which employees can receive six months sick absence on full pay, whereas those in the private sector employers are limited to two months.
24. Of the 20 staff currently on LTS three have been absent for more than 100 days (operation, injuries, and back problems) and HR are working with line managers to resolve these. Another five have been absent between 50 and 100 days (Spine/Joint, Menstrual/ Gynaecological, Eyes, Injuries, Stress) and the other 12 have been absent for less than 50 days at present.
25. The Review also proposed that employment law should be changed to allow companies to dismiss workers on LTS, possibly with a pay-off.
26. The current Staff Handbook does not contain specific guidance on procedures for dealing with LTS and DHRC plan to address this. However any staff who are dismissed for poor performance are eligible to be considered for compensation, between 100% and 0% of the available amount through the Civil Service Compensation Scheme.<sup>6</sup> In certain cases, where staff are unable to improve their health, but do not qualify for medical retirement, this helps achieve a dignified exit for them.

### **Financial and procurement implications**

27. No direct financial or procurement implications outlay although it should be noted that a reduction in sick absences across the House may have a positive impact on the efficiency and effectiveness of House business and on staff morale, where staff feel that they are having to cover for absent colleagues.

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<sup>5</sup> Knott S, and Hayday S (2010), "Public/Private Sector Sickness Absence: The Impossible Divide". Institute for Employment Studies.

<sup>6</sup> HoC lost a recent case at the Civil Service Appeals Board as we had not justified why we decided to award no compensation. The ruling did not find that we should have paid compensation in that case, but that we should have provided evidence why we had not done so.

28. Conversely if plans to manage longer term absence were pursued staff may feel that this is an example of further erosion of their terms and conditions.

29. There may be some additional cost to fund further compensation payments.

### **Risk management**

30. Incidence of long term sick absence represents a risk to business continuity for the House.

31. There remain substantial risks relating to staff and change issues being faced by the House, and these will inevitably have an effect on morale. The risks inherent in making changes to management of long term sick absence should be considered as the review of policy is undertaken.

### **House of Lords implications**

32. There are no House of Lords implications regarding current processes.

33. HR will consult with House of Lords HR when considering changes to the management of long term absence procedures.

### **Other Comparators**

34. The House of Commons is required under the House of Commons (Administration) Act 1978 to ensure that “the complementing, grading and pay of staff in the House Departments are kept broadly in line with those in the Home Civil Service, and that, so far as consistent with the requirements of the House of Commons, the other conditions of service of staff in the House Departments are also kept in line with those in the Home Civil Service.”

35. The CIPD’s research shows that the public sector is more likely than private sector counterparts to:

- use trigger mechanisms to identify high/patterns of absence
- provide leave for family reasons
- train line managers in managing absence
- provide access to occupational health, counselling and physiotherapy.

36. These are all recognised as effective measures to address sickness absence.

37. Public sector employers in a non-profit environment are however more likely to take a more sympathetic people-centric approach that aligns with their culture of public services. In addition Employment Tribunals are more likely to apply a different standard to public sector employers in expecting a greater tolerance of LTS, and of the procedures that are applied before staff are dismissed. This means that we should not be expected to adopt

the more aggressive absence management policies of the private sector, but can be more rigorous in implementing the best-practice procedures which we have, but don't always follow.

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March 2012

**Annex A. Absence Types as a Percentage of LTS**

