ARGYLL AND BUTE COUNCIL   **AUDIT COMMITTEE**

IMPROVEMENT AND HR   **16 SEPTEMBER 2011**

MANAGING ATTENDANCE 2010/11

1. Summary

1.1. The following report provides details of the Council's sickness absence levels for financial year 2010/11 and comparisons have been drawn wherever possible with 2009/10. The report is divided into three parts with statistics in the first half, an update on initiatives to manage attendance in the second and, in accordance with the request made by the Audit Committee when the matter was last considered in March 2011, absence statistics by area in Appendix 1.

1.2. It should be noted that where average figures and costs are used in the course of this report, allowances should be made for rounding of decimal points.

1.3. Human Resources, with support from the Strategic Management Team, have invested considerable time and effort into improving absence recording mechanisms and introducing new initiatives. There is evidence that this work is beginning to pay dividends with each employee averaging 0.26 days less sickness in 2010/11 than in the previous year. This represents an estimated reduction of £32,215 in sickness absence costs when compared to 2009/10.

1.4. Whilst it is pleasing to see the average number of days sickness per employee has fallen from 9.79 to 9.53 days, further improvements are still possible and each individual has a part to play in this. Significant developments in attendance management have included:

- Return-to-work interviews for all staff who have been off, however long or short their absence period. Robust monitoring arrangements are now in place to ensure return to work interviews are carried out on the employee's return to work after every single instance of sickness. Meetings of this type are widely regarded as the single most effective action that can be taken to reduce sickness absence.

- Successful pilot and staged rollout of the Direct Absence Reporting phone line; a joint project between Human Resources and Payroll in partnership with Trade Unions. The provision of accurate and up-to-date information on each individual's absence levels allows managers to address any issues early thereby reducing the likelihood that an employee is likely to be absent again.

- A new Maximising Attendance at Work Policy, including tighter triggers, has been drafted by HR and considered by the Strategic Management Team. It is currently subject to consultation with trade unions. Managers will be prompted to review the cases of those who reach the triggers so that suitable action can

be taken. This could include occupational heath referrals, phased return to work, redeployment and, where appropriate, dismissal and/or disciplinary action.

- A tender has been drafted and a Prior Indication Notice issued in preparation for an Occupational Health and Welfare contract starting in January 2012. Occupational health and welfare services such as physiotherapy, counselling and medical examinations can help prevent employees from being absent in the first place as well as facilitating an earlier return to work for those who are off.

1.5. Each Head of Service has agreed a specific target for their service and the following additional support measures have been put in place to help them achieve these figures:

- The Council's occupational health advisers were asked to review the cases of 37 employees on long-term sickness. Human Resources are working closely with line managers to ensure that each individual is managed in accordance with advice provided by the Occupational Health Physician.

- Fourteen coaching and mentoring sessions on Return to Work Meetings were delivered by HR staff to managers during May and June 2011. These were run in Lochgilphead, Dunoon, Helensburgh, Oban, Campbeltown and Rothesay. Further courses are currently being arranged.

2. Recommendations

2.1. It is recommended the Audit Committee:

- Note the statistics for the full financial year 2010/11 and read the report in conjunction with the figures in Pyramid to enable further analysis by section and area.

- Recognise the improvements made in managing sickness absence that have been achieved over the past 12 months using widely practiced tools and techniques, and further evidenced by a reduction in sickness absence levels.
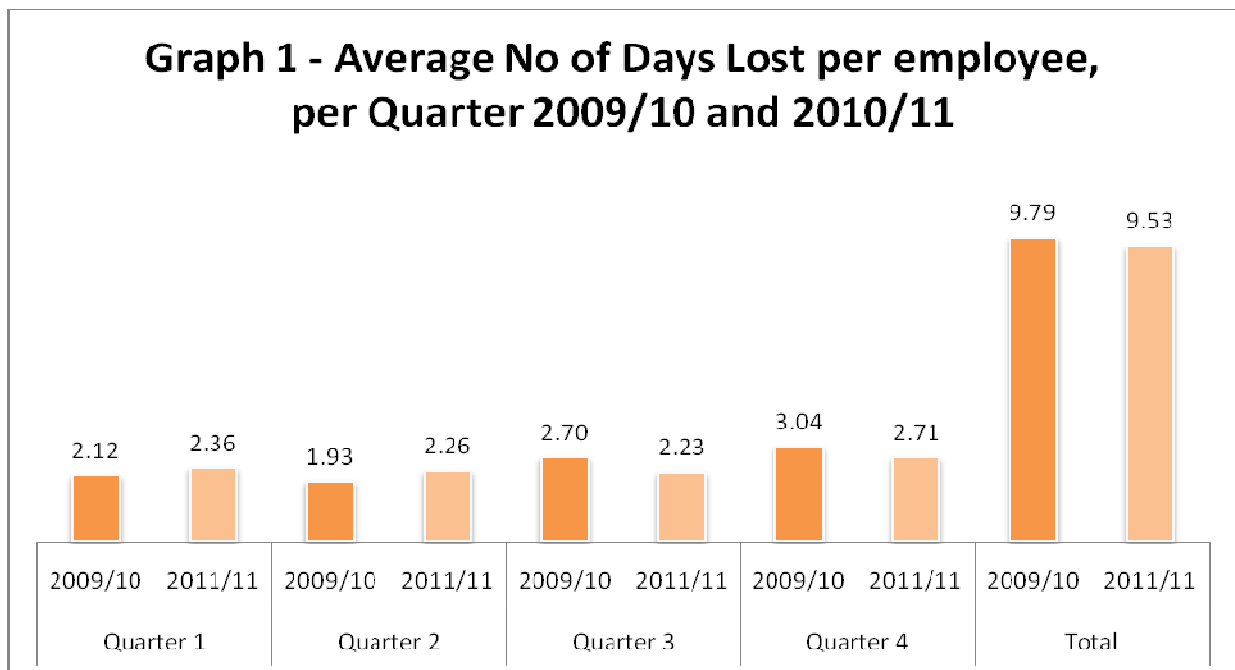
3. Detail

3.1. Absence Statistics

3.1.1. In general, sickness absence levels within the Council decreased over the 12 months between 1st April 2010 to 31st March 2011, predominately due to the concerted efforts of the Strategic Management Team allied with new initiatives introduced by Human Resources. This was all the more significant given improvements in data collection meant an employee's absence was more likely to be recorded and therefore reported. As Table 1 (below) illustrates, in 2010/11 each employee averaged 9.53 days sickness per employee, per year compared with 9.79 days in the previous year.
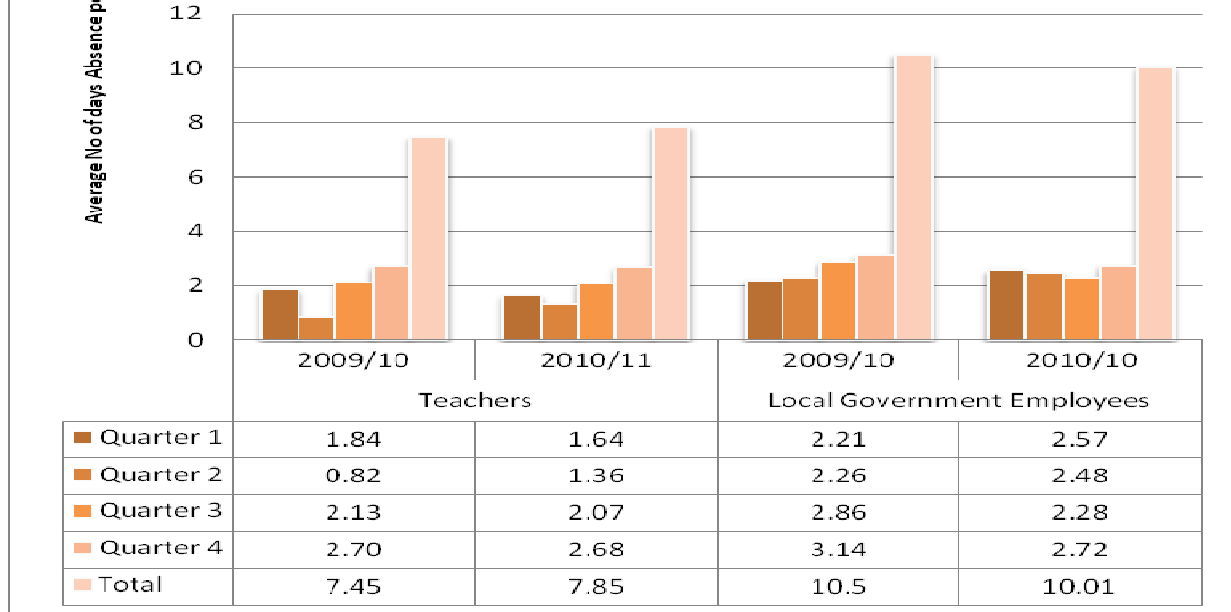
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Table 1 – Average Number of Days Sickness Absence Per Employee Per Quarter, 1st April 2009 – 31st March 2011

	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Total	
	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10	2010/11
FTE Employees	4148.99	4095.49	4239.06	3841.15	4157.73	4564.3	4140.81	3989.95	4171.65	4130.70
FTE Working Days Lost	8812.41	9679.93	8192.93	8666.25	11218.32	10178.38	12600.75	10830.57	40824.11	39355.13
Average No of Days Lost per employee	2.12	2.36	1.93	2.26	2.70	2.23	3.04	2.71	9.79	9.53

Graph 1 - Average No of Days Lost per employee, per Quarter 2009/10 and 2010/11

3.1.2. Graph 2 gives a more detailed breakdown of sickness absence levels per category of staff, per quarter over two years between 1st April 2009 to 31st March 2011.

Graph 2 - Average No of Days Absence per Employee, per Quarter 2009/10 and 2010/11

	Teachers 2009/10	Teachers 2010/11	Local Government Employees 2009/10	Local Government Employees 2010/10
Quarter 1	1.84	1.64	2.21	2.57
Quarter 2	0.82	1.36	2.26	2.48
Quarter 3	2.13	2.07	2.86	2.28
Quarter 4	2.70	2.68	3.14	2.72
Total	7.45	7.85	10.5	10.01

3.1.3. Teachers' absence increased overall by an average of 0.4 days per employee, per year, in contrast with local government employees whose absence fell by 0.49 days per employee, per year. Apart from a noticeable difference in teachers' staffing levels between Quarters 2 and 3, 2010/11, employment levels remained relatively static throughout this time.

Table 2a and 2b – Average Number of Days Sickness Per Employee Category Per Quarter, 1st April 2009 – 31st March 2011

Table 2a

	Teachers							
	2009/10				2010/11			
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
FTE Employees	944.05	962.06	935.58	920.5	904.6	783.25	1087.07	907.62
FTE Working Days Lost	1737.89	791.13	1995.44	2482.51	1483.8	1066.35	2245.83	2434.31
Average No of Days Lost per employee	1.84	0.82	2.13	2.70	1.64	1.36	2.07	2.68

Table 2b

	Local Government Employees							
	2009/10				2010/11			
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
FTE Employees	3204.94	3277	3222.15	3220.31	3188.96	3061.35	3477.23	3082.33
FTE Working Days Lost	7074.52	7401.8	9222.88	10118.24	8196.36	7602.45	7932.55	8396.26
Average No of Days Lost per employee	2.21	2.26	2.86	3.14	2.57	2.48	2.28	2.72

3.1.4. For the purposes of the Statutory performance Indicator, the average number of days sickness per employee reported to Audit Scotland for 2010/11 was:

- Local Government Employees – 10.01 days
- Teachers – 7.85 days

3.1.5. Of the different types of job, sickness levels remain highest amongst non-office based staff as illustrated by Graph 3. Although departmental comparisons are not possible owing to the reorganisation in 2010/11, analysis can still be done at a council wide level. This shows a negligible increase of 0.02 days in non-office based staff sickness which has risen from 11.88 days per employee per year, to an average of 11.90 days per employee, per year. On the other hand, attendance amongst office workers has improved with an average reduction of 0.54 days lost per employee taking the average number of day's sickness per employee per year from 9.81 to 9.27 days.

Graph 3 - Average No of Days Absence per Employee Type, per Department, per Quarter 2010/11

	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
	Community Svs				Development and Infrastructure Svs				Customer Svs				Chief Executive				
Non Office Based Staff	4.32	4.23	3.07	4.24	3.03	2.29	3.1	2.64	2.96	2.42	2.73	2.68	0	0	0	0	11.9
Office based staff	2.6	2.43	1.91	2.94	2.35	2.92	2.27	2.46	1.39	1.83	2.25	1.70	1.51	1.84	2.1	2.43	9.27
Teachers	1.64	1.36	2.07	2.68	0	0	0	0	0	0	0	0	0	0	0	0	7.85

3.1.6. Tables 3a and 3b highlight variations in absence levels throughout 2010/11 by department and quarter. A generally higher incidence of minor ailments such as coughs, colds and flu usually results in increased sickness absence levels between October to March; further evidence of which can be seen in the split between long and short-term absence by department in Graph 4, Tables 4 and 5 giving the top 3 causes of short and long-term absence within the Council each quarter, and Graph 6 which highlights the frequency of absence.
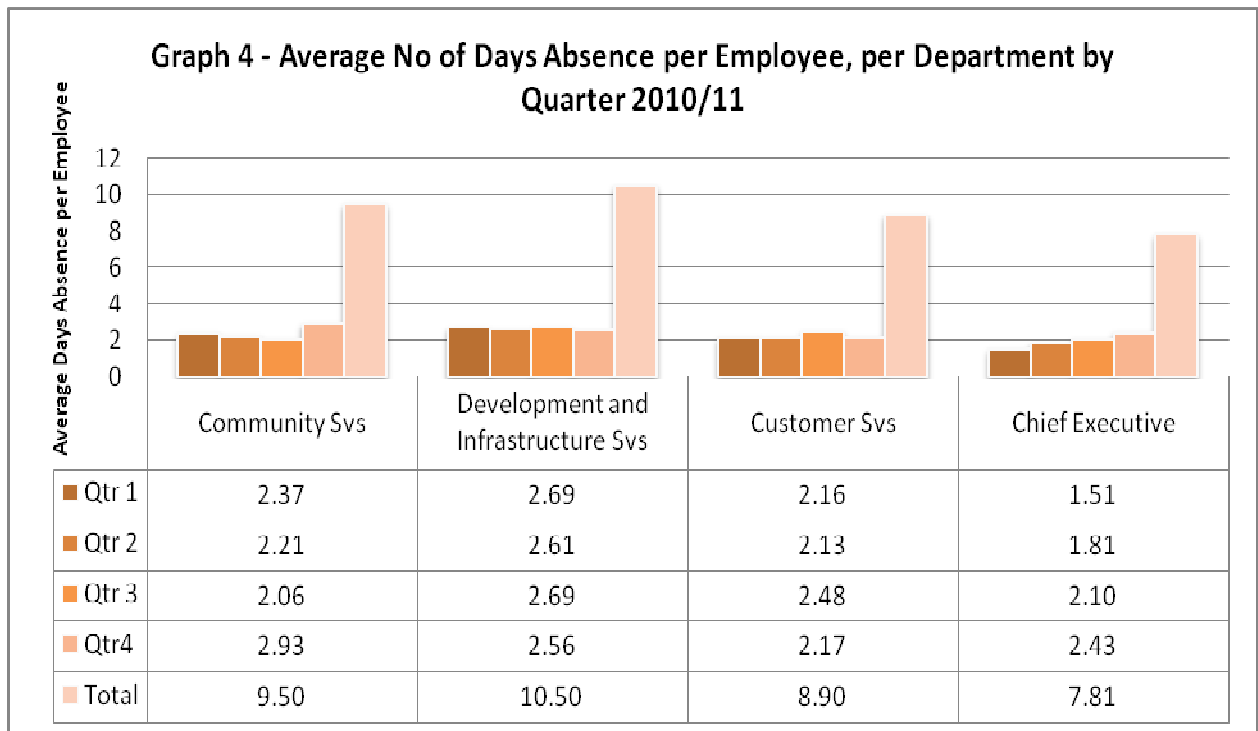
Table 3a and 3b – Average Number of Days Absence Per Employee Per Department, Per Quarter, 1st April 2010 – 31st March 2011

Table 3a

	Community Services				Development and Infrastructure			
	Qtr 1	Qtr2	Qtr3	Qtr4	Qtr 1	Qtr2	Qtr3	Qtr4
FTE Employee	2477.85	2343.5	2987	2417.08	800.61	706.8	781.31	767.33
FTE Days Lost	5870.89	5186.72	6154	7076.35	2154.6	184.58	2104.84	1964.22
Av No Days Absence per employee	2.37	2.21	2.06	2.93	2.69	2.61	2.69	2.56

Table 3b

	Customer Services				Chief Executive			
	Qtr 1	Qtr2	Qtr3	Qtr4	Qtr 1	Qtr2	Qtr3	Qtr4
FTE Employee	656.38	627.57	646.44	650.99	158.72	163.37	149.84	154.55
FTE Days Lost	1415.66	1333.85	1605.52	1413.71	239.07	301.15	314.1	376.29
Av No Days Absence per employee	2.16	2.13	2.48	2.17	1.51	1.84	2.1	2.43

Graph 4 - Average No of Days Absence per Employee, per Department by Quarter 2010/11

	Community Svs	Development and Infrastructure Svs	Customer Svs	Chief Executive
■ Qtr 1	2.37	2.69	2.16	1.51
■ Qtr 2	2.21	2.61	2.13	1.81
■ Qtr 3	2.06	2.69	2.48	2.10
■ Qtr4	2.93	2.56	2.17	2.43
■ Total	9.50	10.50	8.90	7.81

3.1.7. A fuller breakdown of sickness absence by Head of Service is available in Pyramid.

3.1.8. Graph 5 shows the split between long and short-term absence by department per quarter.

Graph 5 - Length of Absence by Department, per Quarter 2010/11

	Community Svs				Development & Infrastructure				Customer Svs				Chief Executive				Total			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
■ Short Term	23%	22%	33%	32%	52%	31%	31%	31%	23%	16%	19%	34%	17%	28%	30%	30%	28%	22%	29%	32%
■ Long Term	77%	78%	67%	68%	48%	69%	69%	69%	77%	84%	81%	66%	83%	72%	70%	70%	72%	78%	71%	68%

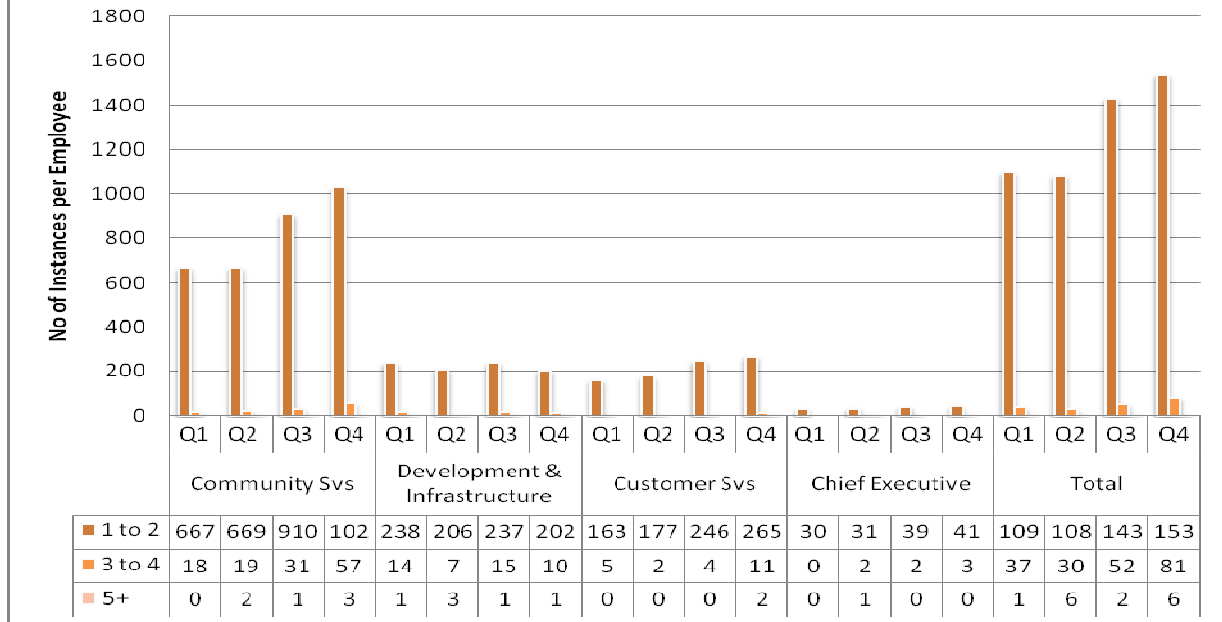| Table 4 – Top 3 reasons for Short Term Absence by Quarter 2010-2011									
Qtr 1		Qtr 2		Qtr 3		Qtr 4		01/04/10-31/03/2011	
Reason	%	Reason	%	Reason	%	Reason	%	Reason	%
Musculoskeletal	19	Musculoskeletal	19	Infections (Colds, coughs, Flu)	19	Infections	33	Infections	24
Infections	16	Stress	16	Stress	17	Stomach, Liver, Kidney Infection	13	Musculo-skeletal	14
Stomach, Liver, Kidney, Digestion	16	Injury/Accident, Infections, Stomach, Liver, Kidney, Digestion	15	Musculoskeletal, Injury/Accident	14	Injury, Accident, Chest and Respiratory, Stress	11	Stress	13

Table 5 – Top 3 reasons for Long Term Absence by Quarter 2010-2011									
Qtr 1		Qtr 2		Qtr 3		Qtr 4		01/04/10-31/03/2011	
Reason	%	Reason	%	Reason	%	Reason	%	Reason	%
Stress	32	Stress	26	Stress	23	Musculoskeletal	25	Musculo-skeletal, Stress	24
Musculoskeletal	22	Musculoskeletal	21	Musculoskeletal	22	Stress, Injury, Accident	21	Injury, Accident	19
Injury/Accident	12	Injury/Accident	16	Injury/Accident	19	Stomach, Liver, Kidney Infection	11	Stomach, Liver, Kidney Infection	10

3.1.9. Despite the increase in short-term absence between October 2010 to March 2011, long-term absence continued to account for around three-quarters of all days lost due to sickness across the Council. With this in mind, representatives from HR recently met with Serco, the Council's Occupational Health providers to review the cases of 37 employees currently on long-term sickness. As a result the Council has a better understanding of the effect of each individual's medical condition on their work and HR Officers are working closely with line managers to ensure each case is managed in accordance with the medical advice received. This exercise has proved to be so worthwhile that it will be repeated later on in the year, whilst provisions for case conferences have been built into the Occupational Health tender drafted by Human Resources.

3.1.10. Graph 6 provides a breakdown of the number of instances of absence per employee, per quarter. Short-term absence can have a detrimental effect on service delivery and be exacerbated by mismanagement. If an employee is repeatedly absent for short periods this is likely both to undermine the individual's own performance and to be disruptive to colleagues and the wider organisation.
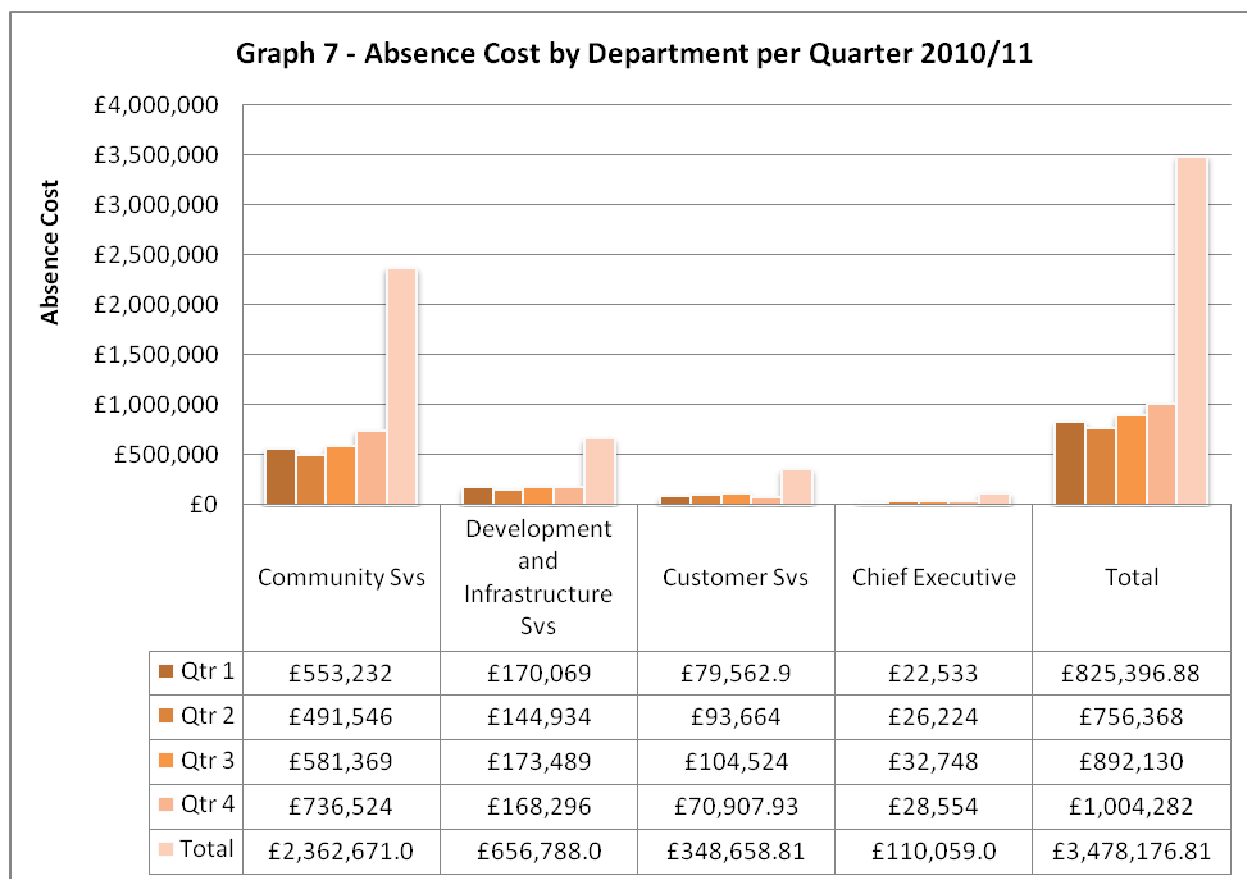
Graph 6 - No of Instances of Absence by Department, per Quarter 2010/11

	Community Svs				Development & Infrastructure				Customer Svs				Chief Executive				Total			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1 to 2	667	669	910	102	238	206	237	202	163	177	246	265	30	31	39	41	109	108	143	153
3 to 4	18	19	31	57	14	7	15	10	5	2	4	11	0	2	2	3	37	30	52	81
5+	0	2	1	3	1	3	1	1	0	0	0	2	0	1	0	0	1	6	2	6

3.1.11. Research shows that where line managers have been trained in absence management there is a decrease in sickness absence rates and, as a starting point, the single most effective action to reduce absence is to consistently conduct return-to-work interviews for all staff who have been off, however long or short their absence period. Fourteen coaching and mentoring sessions for line managers were run by HR Officers during the months of May/June 2011 in each of the main administrative centres.

These sessions also included a section on the Equality Act 2010 to make managers aware of their legal obligations to make reasonable adjustments for any employees who are, or subsequently become disabled, during the course of their employment. Each individual session accommodated up to 20 attendees and additional workshops are currently being organised to complement the e-learning training course on attendance management which is already available on Learn–in-Bytes.

3.1.12. Costs are calculated based on the absent employee's daily salary multiplied by the number of working days that the person is off. Based on these calculations, sickness absence was estimated to cost the Council almost £3.5m in 2010/11, representing a substantial expense to the organisation. However, the initiatives introduced by Human Resources have started to generate savings with an estimated reduction in costs of £32,215 on the previous year.
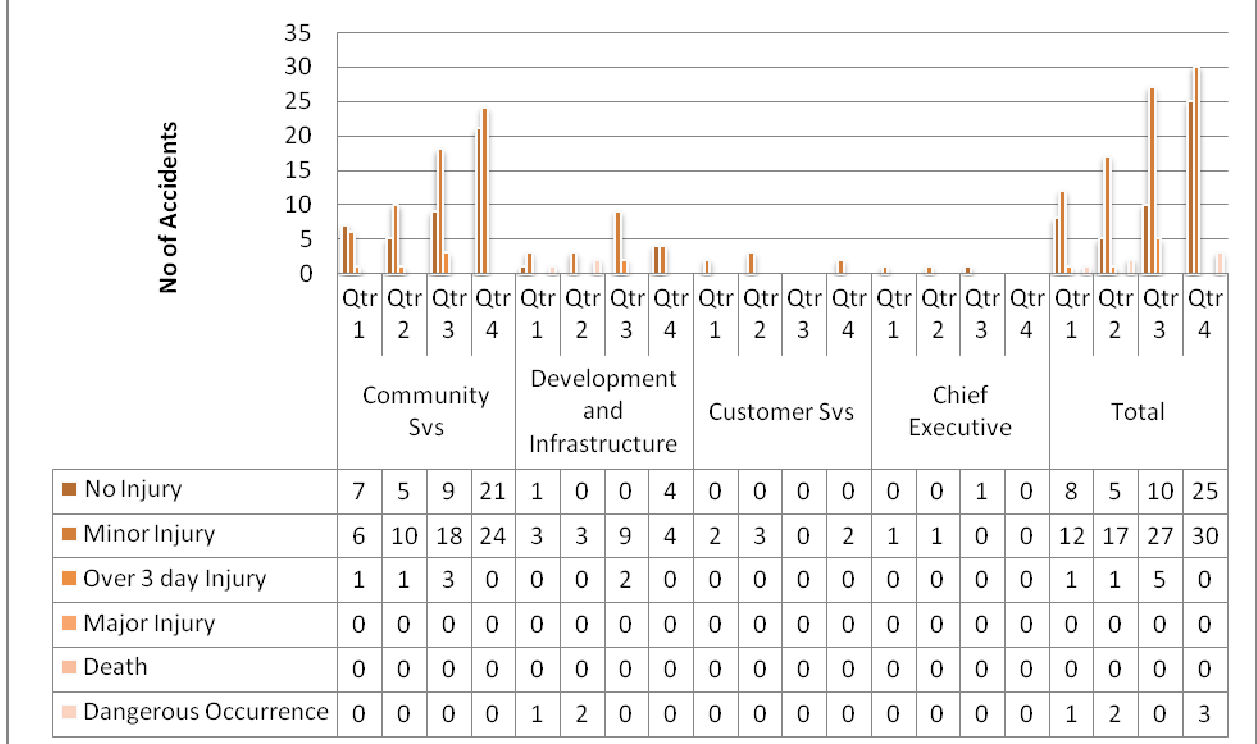
Graph 7 – Absence Cost by Department per Quarter 2010/11

	Community Svs	Development and Infrastructure Svs	Customer Svs	Chief Executive	Total
Qtr 1	£553,232	£170,069	£79,562.9	£22,533	£825,396.88
Qtr 2	£491,546	£144,934	£93,664	£26,224	£756,368
Qtr 3	£581,369	£173,489	£104,524	£32,748	£892,130
Qtr 4	£736,524	£168,296	£70,907.93	£28,554	£1,004,282
Total	£2,362,671.0	£656,788.0	£348,658.81	£110,059.0	£3,478,176.81

3.1.13. The Council continues to have a good health and safety record and only a small proportion of the incidents shown in Graph 8 were sufficiently serious to be reported to the Health and Safety Executive. Between 1st April 2010 to 31st March 2011 there were 12 reportable accidents under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations, 1995 placing the Council well below the national average for reportable events.

3.1.14. In 2000, the Council set itself targets to reduce the number of reportable accidents per year in line with the targets set out in the Health & Safety Executive's publication, 'Revitalising Health & Safety'. Now used as a benchmark, the Council has always performed well in terms of these targets, and through investment in Health and Safety, since 2007-08 has achieved year on year reductions in reportable accidents as follows:

Table 6 – Number of Reportable Accidents Per Year

Financial Year	Number of reportable accidents
2005-06	37
2006-07	39
2007-08	37
2008-09	31
2009-10	23
2010-11	12

Graph 8 - No of Accidents, per Department, per Quarter 2010/11

	Community Svs				Development and Infrastructure				Customer Svs				Chief Executive				Total			
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
No Injury	7	5	9	21	1	0	0	4	0	0	0	0	0	0	1	0	8	5	10	25
Minor Injury	6	10	18	24	3	3	9	4	2	3	0	2	1	1	0	0	12	17	27	30
Over 3 day Injury	1	1	3	0	0	0	2	0	0	0	0	0	0	0	0	0	1	1	5	0
Major Injury	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Death	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dangerous Occurrence	0	0	0	0	1	2	0	0	0	0	0	0	0	0	0	0	1	2	0	3

3.2. Stress

3.2.1. Two-thirds of all stress-related absence (66%) was thought to be due to employees' personal circumstances.

3.2.2. Graph 9 shows the number of working days lost due to stress related absence (both personal and work-related) across the Council by Grade/Job Type. From this it would appear that employees placed on grades LGE 2- 9 (equivalent to a full-time salary of £12,270 - £27,414), are most likely to be absent due to stress be it personal or work-related. This could simply be due to the high volumes of staff employed on these grades within the Council.

Graph 9 - Stress Related Absence by Job Type/Grade. per Quarter 2010/11

	Work Related Stress					Personal Related Stress				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
■ Teachers	198	68.5	225	257	748.5	100	36	276	375	787
■ LGE 2 - 9	417	383	462	87	1349	696	819	1065	836	3416
■ LGE 10 and above	116	148	46	33	343	112	223	127	170	632
■ Total	731	599.5	733	377	2440.5	908	1078	1468	1381	4835
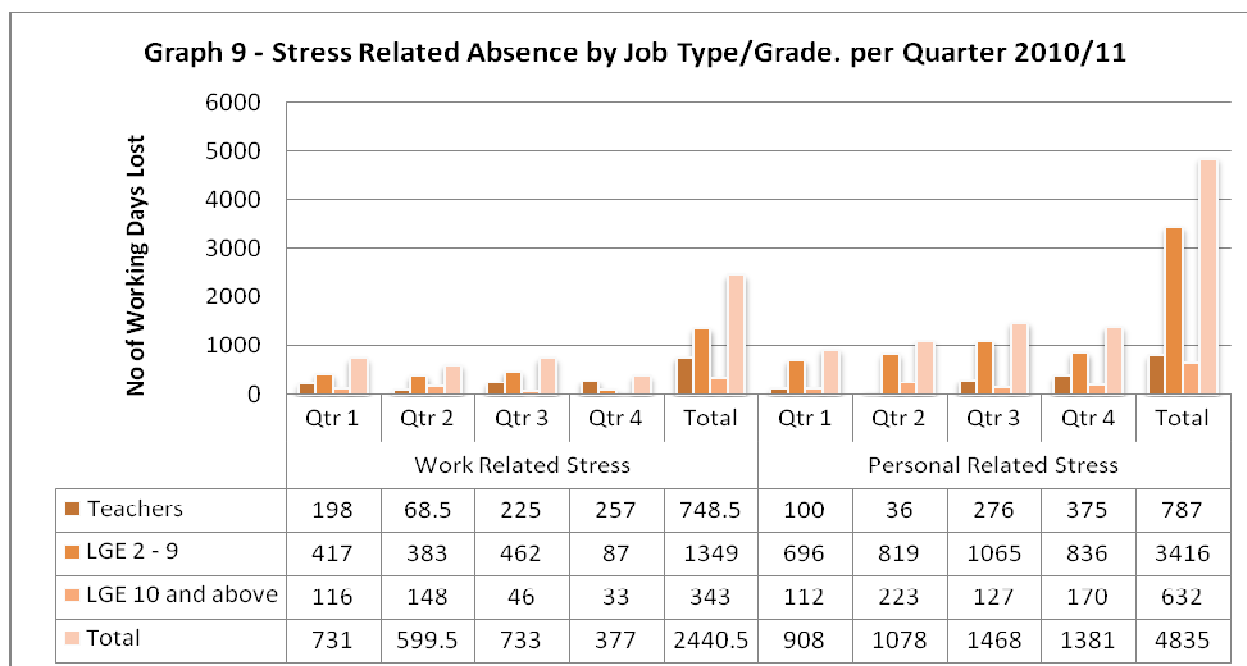
3.2.3. Table 7 enables comparison of stress related absence by grade over the two year period between 1st April 2009 -31st March 2011 and shows that despite the fall in stress related absence in Quarter 4 of 2010/11, stress levels overall in 2010/11 were slightly higher than in the previous year. Personal stress increased marginally amongst teachers and employees graded 10 and above (the latter being equivalent to a full-time salary of £26,753 and over), possibly as a result of a worsening global economic situation. There was a noticeable increase in the number of days teachers lost due to work-related stress when compared to 2009/10.

Table 7 – Working Days Lost Due to Stress By Grade, 1st April 209 – 31st March 2011

	Work Related Stress		Personal Related Stress		Total Working Days Lost	
	2009/10	**2010/11**	**2009/10**	**2010/11**	**2009/10**	**2010/11**
Teachers	558	748.5	641	787	1199	1535.5
LGE 2 - 9	1335	1349	3540	3416	4875	4765
LGE 10 and above	396	343	510	632	906	975
Total	**2289**	**2440.5**	**4691**	**4835**	**6980**	**7275.5**

Table 8a, 8b and 8c together with Graph 10 provide a breakdown of stress-related absence by department.

Table 8a, 8b and 8c – Number of Working Days lost due to Work and Non-Work related Stress by Department, 1st April 2010 – 31st March 2011

Table 8a	Work Related Stress				
	Community Svs	Development and Infrastructure Svs	Customer Svs	Chief Executive	**Total**
Qtr 1	504	227	0	0	**731**
Qtr 2	249.5	350	0	0	**599.5**
Qtr 3	379	354	0	0	**733**
Qtr 4	307	48	22	0	**377**
Total	**1439.5**	**979**	**22**	**0**	**2440.5**

Table 8b	Personal Stress				
	Community Svs	Development and Infrastructure Svs	Customer Svs	Chief Executive	**Total**
Qtr 1	403	211	294	0	**908**
Qtr 2	308	180	476	144	**1078**
Qtr 3	780	162	398	128	**1468**
Qtr 4	860	127	266	128	**1381**
Total	**2351**	**680**	**1434**	**370**	**4835**

Table 8c	Work Related and Personal Stress 2010/11				
	Community Svs	Development and Infrastructure Svs	Customer Svs	Chief Executive	**Total**
Work Related Stress	1439.5	979	22	0	**2440.5**
Personal Stress	2351	680	1434	370	**4835**
Total	**3790.5**	**1659**	**1456**	**370**	**7275.5**

Graph 10 - Working Days Lost due to Stress Related Absence by Department, per Quarter 2010/11
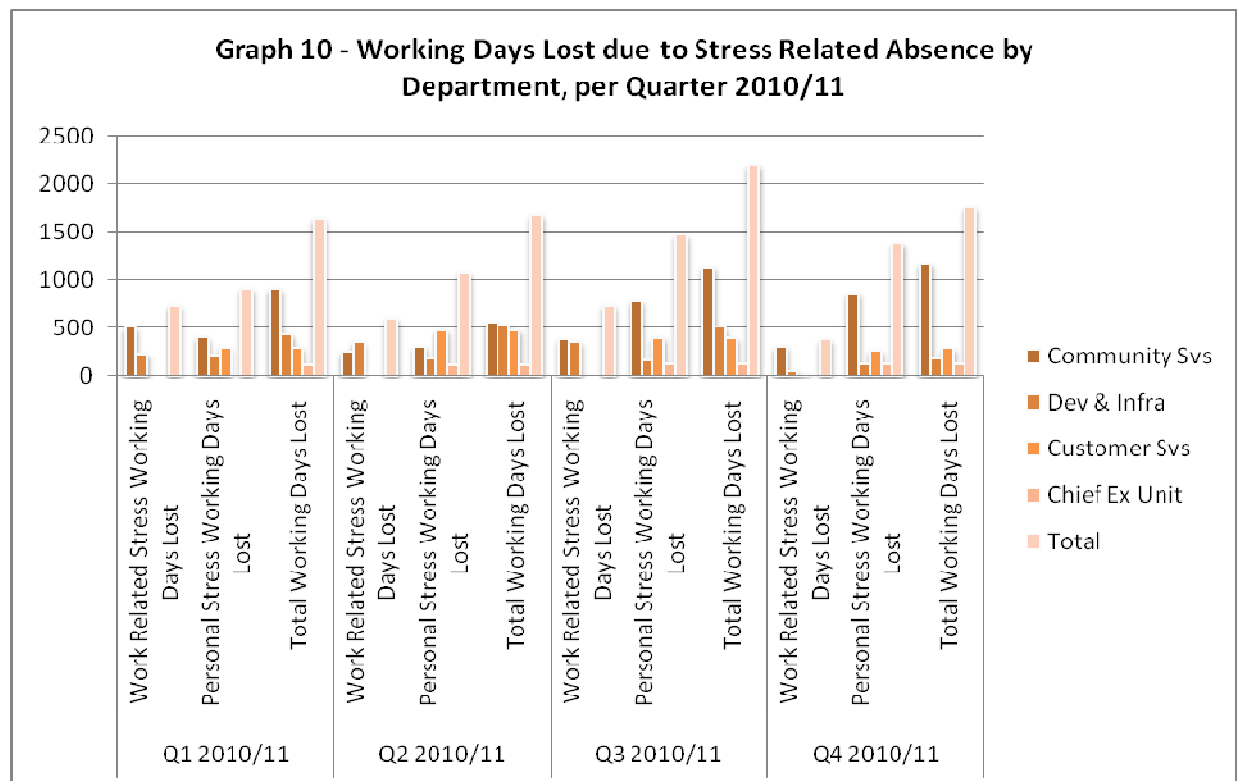
3.2.4. Fifty-three employees attended counselling between 1st April 2010 to 31st March 2011. Of these, 29 cited personal reasons for seeking counselling whilst 24 gave work-related explanations. All but 3 were self-referrals. Graph 11 shows that "support" was the most commonly cited work-related reason given for obtaining counselling, closely followed by "relationships" and "demands". These categories refer to the HSE's Management Standards for work-related stress as outlined below:

- Demands – workload, work patterns and work environment
- Control – How much say a person has in their work
- Support – Encouragement and resources provided by the Council, line management and colleagues
- Role – Employees understand their role within their service
- Change – How organisational change is managed and communicated within the Council
- Relationships – promoting positive working to avoid conflict and dealing with unacceptable behaviour

Graph 11 - No of work related referrals, Employee Counselling Service 2010/11

	Q1	Q2	Q3	Q4	Total
Change	3	0	0	0	3
Control	0	0	0	0	0
Demands	2	1	1	2	6
Relationships	1	3	1	1	6
Role	0	0	0	0	0
Support	2	1	3	1	7
workplace Incident	0	0	0	0	0
Undisclosed	0	0	0	0	0
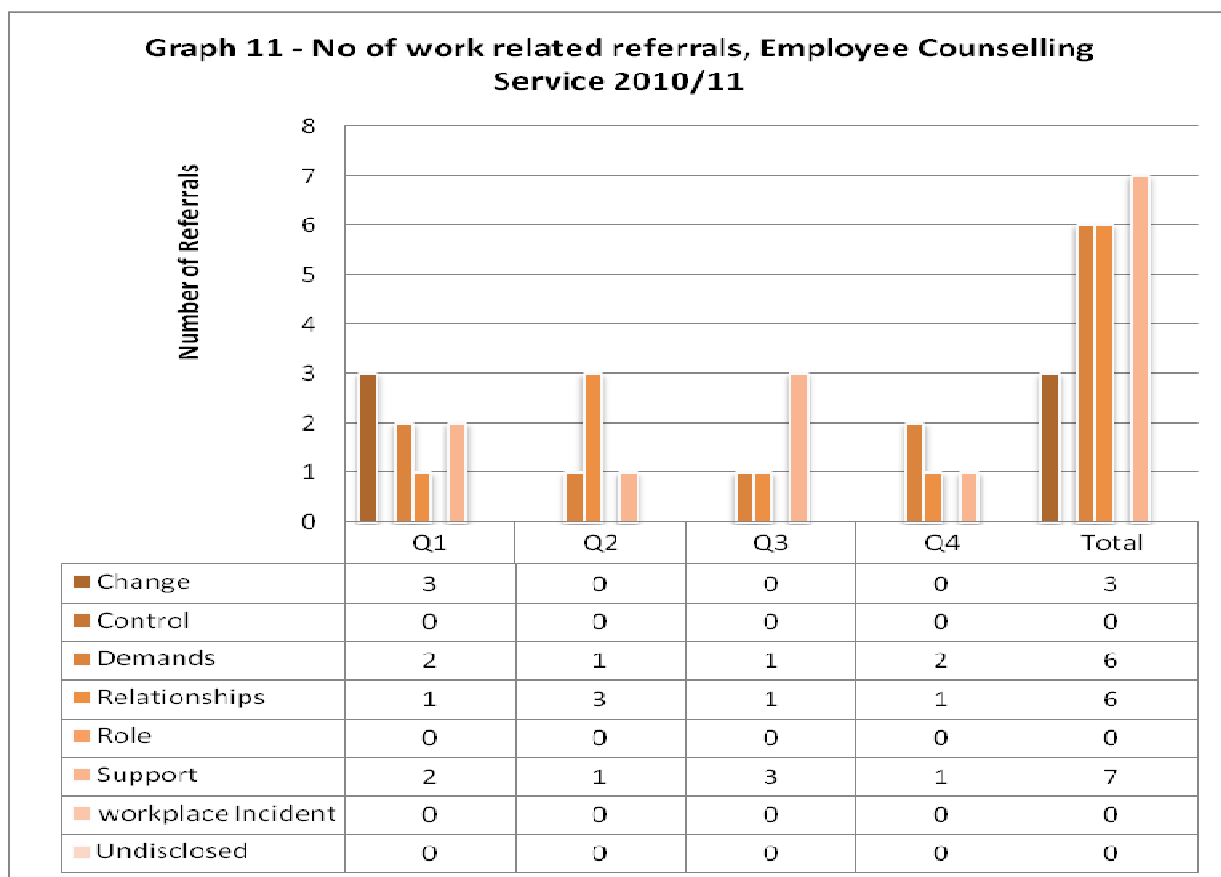
3.2.5. Graph 12 overleaf provides a breakdown of the personal reasons given by employees for seeking counselling.

Graph 12 - Employee Counselling Service, Personal Related Referrals, 2010/11

	Q1	Q2	Q3	Q4	Total
Health	2	2	4	4	12
Personal	7	5	2	5	19
Undisclosed	0	0	0	0	0
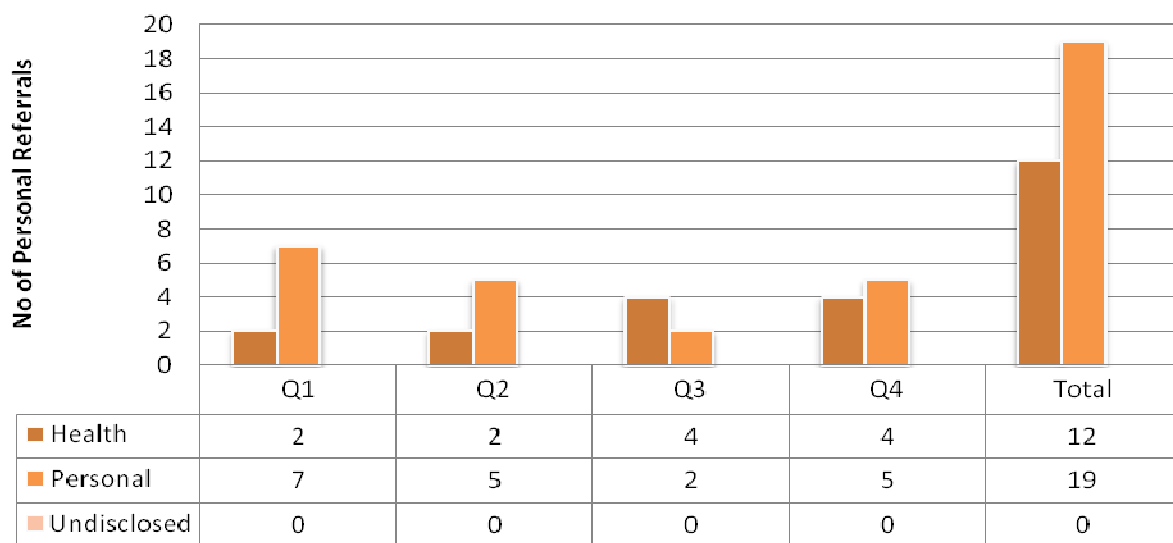
3.2.6. There were a total of 87 return counselling appointments during the year.

3.2.7. In addition to structured counselling, the Employee Counselling Service operates an information helpline, 24 hours a day, 365 days a year. Graph 13 provides additional information with regard to contact with the helpline between 1st April 2010 – 31st March 2011.

Graph 13 - Employee Counselling Service, Helpline Contacts - 2010/11

	Q1	Q2	Q3	Q4	Total
Personal Problems	13	14	11	18	56
Work Related Problems	14	7	10	9	40
Enquiry for structured Counselling	4	2	2	4	12
General Support/Information	3	2	3	1	9
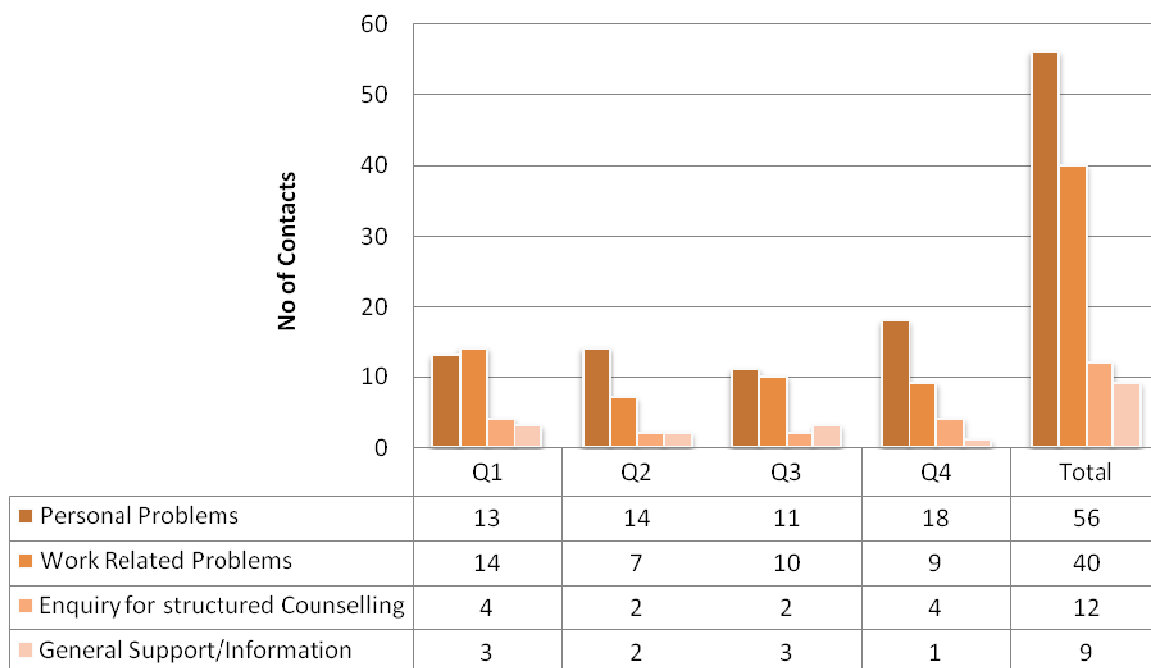
3.2.8. Human Resources continue to promote the activities of the Employee Counselling Service to ensure all employees are aware of the information and support available to them. Feedback from Exit Questionnaires returned between October 2010 to March 2011 showed an increased awareness of the Service from 21% to 87% of all Exit Questionnaire respondents. Human Resources will continue to promote the activities of the Employee Counselling Service through posters, payslip messages, Cascade, The Hub, News Flash messages and correspondence with employees to ensure the message continues to reach those in even the largest, and most geographically dispersed departments.

As various nationwide studies have shown a strong link between financial and psychological wellbeing, representatives from HR met with the Money Advice Service in May 2011 to discuss arrangements for financial education seminars. These are being planned for November 2011 and will be run at the same time as the next round of redundancy seminars to make the most efficient use of the presenter's time.

3.2.9. Phase Three of the Modernisation Programme was unsettling for employees but feedback from Exit Questionnaires received between October 2010 and March 2011suggested the considerable time and effort invested into ensuring communications were relevant, appropriate and consistent was worthwhile and despite the worrying times, may help to explain why absence attributed to work-related stress fell so dramatically in Quarter 4 2010/11.

3.3. Managing Absence – Major Initiatives

3.3.1. Effective absence management involves finding a balance between providing support to help employees with health problems stay in, and return to work, and taking consistent and firm action against employees that try to take advantage of the Council's occupational sick pay schemes. High absence levels reduce productivity as well as placing other employees under increased pressure and stress. The Council is committed to achieving further reductions in sickness absence costs by continuing to take a proactive approach to attendance management. With this in mind the Council's Improvement and HR service is actively involved in a number of major initiatives including:

- Physiotherapy Pilot in Helensburgh and Lomond
- Direct Absence Reporting Phone line
- Review of Occupational Health arrangements
- Review of the Managing Attendance Policy and Procedures
- Setting of Service specific targets for improvement

3.3 Physiotherapy Pilot

3.3.1 Musculoskeletal absence ranked in the Council's top three reasons for short and long term absence in each of the four quarters in 2010/11, accounting for just over a fifth (22%) of all days lost due to sickness overall. The Council has been piloting a physiotherapy service in the Helensburgh and Lomond area in partnership with West Dunbartonshire Council since mid January 2011 based on evidence from the National Institute of Clinical Excellence and other local authorities that early intervention for musculoskeletal conditions can assist employees to return to work

sooner, or even prevent them from being absent in the first place.

3.3.2   The Pilot has been promoted through an article in Work4ce, News Flash, Cascade, leaflets, payslip messages, through posters in workplaces in the Helensburgh and Lomond area, The Hub, as well as being incorporated into the E-learning managing attendance course, manual handling training and the coaching and mentoring sessions for managers. In addition, anyone who contacts the Direct Absence Reporting line with a back or musculoskeletal condition is provided with information on the Physiotherapy Pilot. Ongoing promotional activities will continue over the coming months.

3.3.3   Seventeen employees have now been referred to physiotherapy since the pilot began in January 2011. One employee has completed their treatment so far and is reporting a considerable improvement in movement. Had they not received treatment they felt it was highly likely they would have been absent from work again with the same condition.

3.4   <u>Direct Absence Reporting Phone line</u>

3.4.1   If sickness absence issues are to be addressed early, line managers need to be given accurate and up-to-date information on individual employee's absence levels. Following the centralisation of the HR team in April 2010, the Council developed a consistent means of collecting data but this is still a largely manual process meaning information can quickly become out of date.

3.4.2   Part of an initiative to improve reporting mechanisms and make sickness absence data available to managers in real time, a Direct Absence Reporting telephone line was trialled between February and March 2011 with 260 staff working within Piers and Harbours, Residential homes and Homecare staff in the Bute and Cowal area. It was manned by existing employees within Human Resources and payroll.

3.4.3   Forty-seven absences were reported during the 6 week pilot period as follows:

Pilot Group	Number of Absences in group
Piers and Harbours	4
Home Care – Bute & Cowal	10 (one employee had two periods)
Residential Homes	26 (with 6 employees having two periods)

3.4.4   Following positive feedback and ongoing consultation with trade unions, agreement was reached on 8th April 2011 to roll the project out across the Council. The Chief Executive's Unit were the first to go live on 3rd May 2011, and have been followed by Community Services (excluding Education/Leisure), Development & Infrastructure Services and Customer Services (exc. Catering & Cleaning). The remaining Services will be utilising the phone line by the end of September 2011. Opening hours have been extended to 7am on a trial basis in response to feedback received.

The Project Officer has been carrying out roadshows to ensure all managers are aware of the Project prior to implementation in each service. Updates have also been included in Cascade, on The Hub and in August 2011 payslips.

3.5   Review of Occupational Health Arrangements

3.5.1 A group consisting of representatives from Human Resources and Health and Safety was formed to review occupational health arrangements and a number of meetings held in order to agree requirements. A tender has been drafted and a Prior Indication Notice issued. The Council remains on target to complete the tendering exercise for an occupational health and welfare service by December 2011 with a view to starting any resulting contract in January 2012.

3.6   Service Specific Targets

3.6.1 Following agreement by SMT earlier in the year, service specific attendance targets are now available in Pyramid so that attendance can be measured and improved on a service by service basis. These are effective from 1st April 2011 and are as follows:

Table 10 – Target Number of Days Lost Per Employee by Service

Development & Infrastructure	**Target days lost per employee**
Roads & Amenity	**9.86**
Economic Development	**7.90**
Planning & Regulatory Services	**9.86**
Service Total	**9.55**

Community Services	
Adult Care	**11.00**
Children & Families	**9.00**
Community & Culture	**9.00**
Education - Primary Teaching	**6.25**
Education - Primary Non Teaching	**5.75**
Education - Secondary Teaching	**6.50**
Education - Secondary Non Teaching	**8.5**
Teaching	**6.24**
Non Teaching	**9.14**
Service Total	**8.12**

Customer Services	
Governance & Law	**5.50**
Support & Customer Services	**7.00**
Facility Services	**9.50**
Service Total	**8.33**

Chief Executive's Unit	
Strategic Finance	**5.50**
Improvement & Strategic HR	**6.50**
Service Total	**6.30**

3.6.2 The Strategic Management Team decided that it would be more beneficial to move from an overall Council target to individual service targets to recognise differences in jobs such as variations in physical and mental demands, health and safety requirements etc. Service targets also encourage greater ownership and therefore greater chances of achieving the target in conjunction with the proactive measures outlined earlier in this report.

3.6.3 Targets have been calculated with reference to the average number of days lost per employee in the top 8 performing Scottish Councils in 2009/10 as opposed to national statistics. The intention was to improve attendance so that Argyll and Bute Council would be placed in the top upper quartile of the best performing local authorities. Audit Scotland do not specify targets for Councils.

4   Conclusion

4.1   The Authority is taking an increasingly holistic and preventative approach to Attendance Management through the provision and use of cost effective support services such as Physiotherapy, the Employee Counselling Service and occupational health. These can help to keep employees at work or expedite the return of those who are absent.

4.2   Cumulatively, absence levels between 1st April 2010 – 31st March 2011 are marginally lower than the same time last year. It is encouraging to see the time and effort that is being invested into the introduction of new initiatives including the Direct Absence Reporting Phone Line is beginning to pay dividends. The Council recognises that further improvements are still possible and is committed to monitoring and reviewing its management practices in light of organisational changes and developments in best practice. This will be an ongoing process and will ensure the Council continues to achieve the reductions in sickness absence costs that are now being generated.

5   IMPLICATIONS

PERSONNEL   Support services will continue to be promoted to employees and reviewed by the Council to ensure they are providing value for money and continue to meet requirements. The Managing Attendance Policy and Procedures are currently subject to a major review and will be communicated to all staff once complete. Promotional activities are in place to advise employees of changes to reporting procedures as the Direct Absence Reporting Phone line is rolled out across the Authority.

FINANCIAL   Failure to properly manage sickness absence could lead to an increase in costs through sick pay and the cost of cover for the absent employee. The Council has, and will continue to face, significant budgetary constraints and needs to ensure it is making the most effective and efficient use of resources.

EQUALITY   Internal and external support mechanisms such as Human Resources, Employee Counselling Service and Occupational Health

(including occupational physiotherapy) are available to staff within the Council.

LEGAL   Line managers need to be aware of the implications of the Equality Act 2010 when making any decisions that affect someone who may be disabled as defined by the Act. Failure to address incidences of work-related stress within the workplace may result in claims being raised against the Council.

For further information, please contact:

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Appendix 1

1.   Background Information

1.1.1 Argyll and Bute Council was the tenth best performing Council in terms of attendance levels in 2009/10. The actual average number of days lost per employee was 9.79 for 2009/10 and 9.53 in 2010/11. Rankings have still to be published for 2010/11.

1.1.2. For the purpose of the Statutory Performance Indicator, the average number of days sickness per employee reported to Audit Scotland for 2010/11 was:

- Teachers – 7.85 days
- Local Government Employees – 10.01 days

1.1.3 The current private sector absence rate is 6.9 days and the public sector rate is 9.6 days (Source: Chartered Institute of Personnel and Development 2010 Annual Absence Survey).

2.   Absence Statistics By Area, 2010-2011

2.1.1 In 2010-11, Bute and Cowal had the second highest number of staff but the highest absence rates of all four areas within the Council. Staff here averaged 11.3 days of sickness per employee in 2010/11; 1.77 days more per person than the average member of staff within the Council. Mid Argyll, Kintryre and Islay were second highest with 9.4 days followed by Helensburgh and Lomond (8.8 days) then Oban, Lorn and the Isles (8.4 days).

Tables 1a–1d, Average Number of Days Absence Per Employee, Per Area 2010-2011

1a	Bute and Cowal				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
FTE	1044.11	1004.61	1051.23	990.20	1022.54
FTE WDL	2795.69	2592.01	2977.97	3185.45	11551.12
Average No of Days Absence per Em'ee	2.7	2.6	2.8	3.2	11.3
Cost	£232,142	£224,642	£246,263	£306,867	£1,009,914

1b	**Mid Argyll, Kintyre and Islay**				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
FTE	1434.73	1327.71	1653.48	1391.47	1451.84
FTE WDL	3121.78	2748.92	3696.25	4123.87	13690.82
Average No of Days Absence per em'ee	2.2	2.1	2.2	3	9.4
Cost	£246,068	£217,086	£319,144	£343,160	£1,125,458

1c	Helensburgh & Lomond				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
FTE	732.88	723.68	884.11	725.13	766.45
FTE WDL	1661.67	1440.12	1962.91	1649.37	6714.07
Average No of Days Absence per em'ee	2.3	2	2.2	2.3	8.8
Cost	£155,779	£147,933	£193,456	£170,696	£667,864

1d	Oban Lorn and Isles				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
FTE	883.77	785.15	975.48	883.15	881.88
FTE WDL	2100.79	1885.2	1541.25	1871.88	7399.12
Average No of Days Absence per em'ee	2.4	2.4	1.6	2.1	8.4
Cost	£191,408	£166,707	£133,267	£183,558	£674,940
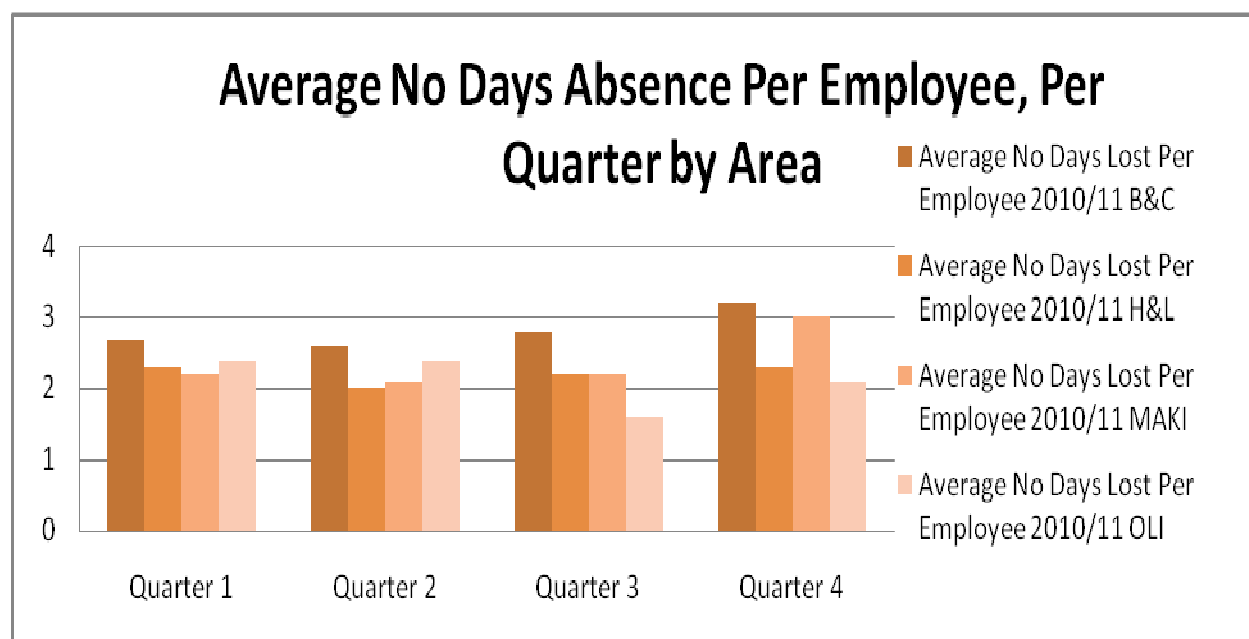
2.1.2 The estimated cost of absence was highest in Mid Argyll, Kintyre and Islay followed by Bute and Cowal. Absence costs will be determined by both the level of absence and the grade of those who are off. A more detailed breakdown of estimated sickness costs by area is provided in Table 2 below.

Table 2 – Sickness Absence Costs By Area, 2010 – 2011

	Absence Costs by Area				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
B&C	£232,142	£224,642	£246,263	£306,867	£1,009,914
H&L	£155,779	£147,933	£193,456	£170,696	£667,864
MAKI	£246,068	£217,086	£319,144	£343,160	£1,125,458
OL& I	£191,408	£166,707	£133,267	£183,558	£674,940
Total	£825,397	£756,368	£892,130	£1,004,281	£3,478,176

Graph 2 - Sickness Absence Costs by Area, per Quarter 2010/11
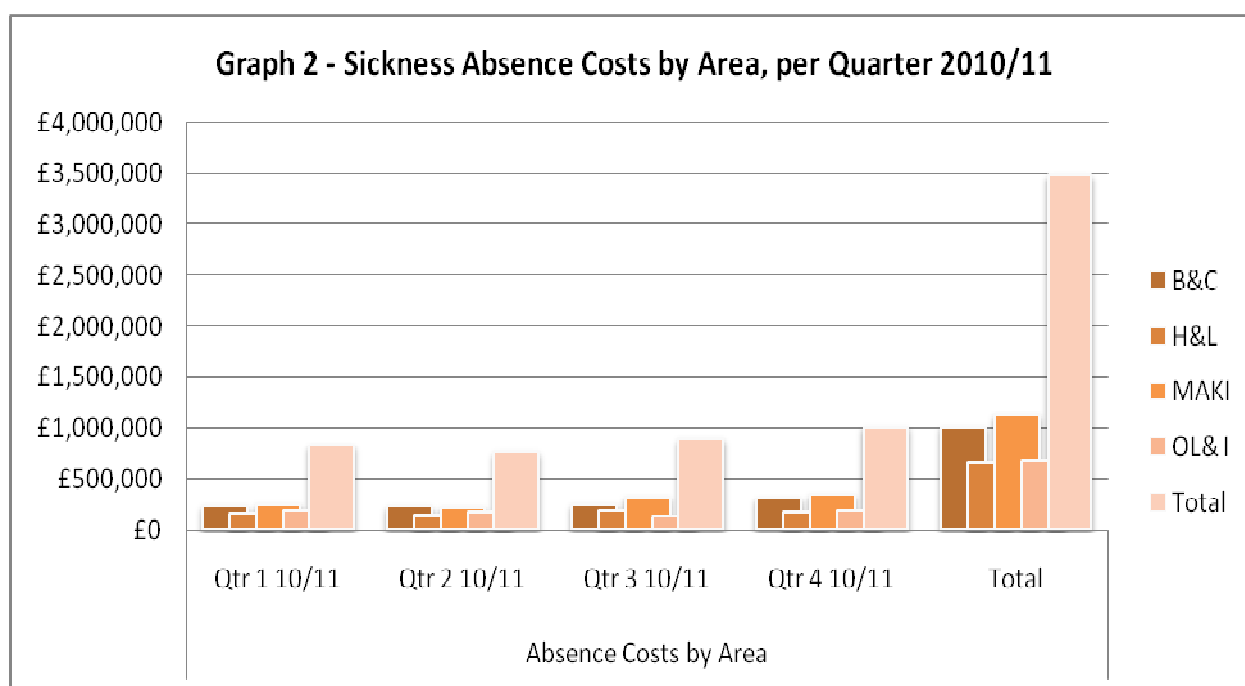
2.1.3 Absence due to stress is predominately due to personal reasons across the Council though the personal/work-related split varies from area to area. Stress-related absence, and personal stress in particular (81%), is highest in the Mid Argyll, Kintyre and Islay area. Bute and Council has the second highest levels of stress-related absence with 57% personal stress and 43% work-related. Helensburgh and Lomond is next with around three-quarters (74%) of stress-related absence being for personal reasons, and a quarter (26%) work-related. The lowest area is Oban, Lorn and the Isles in terms of the overall number of days lost with 56% of work-related stress to 44% personal stress. Further information is provided in Tables 3a – 3d overleaf.

Tables 3a – 3d, Number of Days Lost Due to Stress By Area, 2010 – 2011

3a	Bute and Cowal				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
FTE	1044.11	1004.61	1051.23	990.2	1022.538
Work Related Stress	285	246.5	302	143	976.5
Personal Related Stress	175	337	253	527	1292
Total	460	583.5	555	670	2268.5

3b	Mid Argyll, Kintyre and Islay				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
FTE	1434.73	1327.71	1653.48	1391.47	1451.848
Work Related Stress	81	22	199	176	478
Personal Related Stress	341	470	710	493	2014
Total	422	492	909	669	2492

3c	Helensburgh and Lomond				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
FTE	732.88	723.68	884.11	725.13	766.45
Work Related Stress	228	135	0	12	375
Personal Related Stress	237	226	385	194	1042
Total	465	361	385	206	1417

3d	Oban, Lorn and Isles				
	Qtr 1 10/11	Qtr 2 10/11	Qtr 3 10/11	Qtr 4 10/11	Total
FTE	883.77	785.15	975.48	883.15	881.8875
Work Related Stress	137	196	232	46	611
Personal Related Stress	155	45	120	167	487
Total	292	241	352	213	1098

Table 4 – Summary of Number of Days Lost Due to Stress by Area 2010-11

	No of Days lost due to Stress				
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
B&C	460	583.5	555	670	2268.5
H&L	465	361	385	206	1417
MAKI	422	492	909	669	2492
OLI	292	241	352	213	1098
Total	1639	1677.5	2201	1758	7275.5

Graph 3 Number of Days Lost Due to Stress Per Area, 2010-11