

**ANGUS COUNCIL**

**SCRUTINY AND AUDIT COMMITTEE – 25 AUGUST 2015**

**SICKNESS ABSENCE 2014/15**

**REPORT BY SHARON FAULKNER, HEAD OF HR, IT & OD**

**ABSTRACT**

This report analyses sickness absence within the council during the 2014/15 financial year.

**1. RECOMMENDATION**

The committee considers the terms of this report.

**2. ALIGNMENT TO THE COUNCIL PLAN**

This report contributes to the achievement of the following priority contained within the Council Plan:

**Transformational Change**

- review our workforce to ensure it is led and managed effectively, is the right size and shape, is motivated and has the skills, knowledge and tools needed.

**3. BACKGROUND**

**3.1** As the committee is aware, as part of the council's performance management arrangements, it receives quarterly reports on sickness absence. Each year these reports are aggregated to give an annual summary.

**3.2** This report summarises and analyses absence data for the 2014/15 financial year.

**4. CURRENT POSITION**

**4.1** The figures are given for two employee categories: local government employees (which includes chief officers) and teachers.

**4.2 Average Days Lost per Employee**

Table 1 identifies the average days lost per employee in each quarter, and overall, for 2014/15. The table also shows, in italics, the quarterly and annual figures for 2013/14.

<i>Table 1</i>	Apr – Jun 14	Jul – Sept 14	Oct – Dec 14	Jan – Mar 15	Total	<i>Total 13/14</i>
LGE	2.2	2.3	2.7	2.9	10.1	9.7
Teachers	1.4	0.9	1.5	2.0	5.8	5.4
Total	2.0	2.0	2.4	2.7	9.1	8.7
<i>Total 13/14</i>	<i>2.0</i>	<i>1.8</i>	<i>2.4</i>	<i>2.5</i>	<i>8.7</i>	

As the comparison shows, there has been an overall increase of 0.4 days per employee from 2013/14 to 2014/15 – a rise of 4.5%.

Appendix 1a illustrates the above information in graph format.

The average number of working days per employee lost through sickness absence in each of the last five years is shown below.

<i>Table 2</i>	2010/11	2011/12	2012/13	2013/14	2014/15
Average days lost	8.9	9.3	9.7	8.7	9.1

This measure is a statutory performance indicator for both a) local government employees (including chief officers) and b) teachers. The council's figures for these two categories as reported to the Local Government Benchmarking Framework (LGBF) for 2014/15 were 10.1 and 5.8 respectively

The LGBF publishes annual statutory performance indicator information in the latter part of 2014/15 at which point comparison with other councils will be possible. The Scottish average figures in 2013/14 were 9.74 (non-teachers) and 5.4 (teachers). The council's performance in that year improved on the previous year and was slightly better than the national average.

For the purposes of wider comparison the most comprehensive source of information is the annual survey undertaken by the Chartered Institute of Personnel and Development (CIPD). The most recent survey available is for 2014 and is based on replies from 518 organisations across the UK. It identified a figure of 6.6 days lost per employee across all organisations, 7.9 days per employee within public sector organisations and 8.8 days for organisations with more than 5,000 employees.

### 4.3 **Percentage of Working Days Lost**

Table 3 shows the number of days lost through sickness absence as a percentage of available working days. The table also shows, in italics, the quarterly and annual figures for 2013/14.

<i>Table 3</i>	Apr – Jun 14 %	Jul – Sept 14 %	Oct – Dec 14 %	Jan – Mar 15 %	Total %	<i>Total 13/14 %</i>
LGE	4.49	5.09	5.71	5.71	5.25	5.06
Teachers	2.94	2.61	3.42	3.85	3.21	3.03
Total	4.14	4.63	5.19	5.25	4.81	4.61
<i>Total 13/14</i>	<i>4.16</i>	<i>4.08</i>	<i>5.19</i>	<i>5.25</i>	<i>4.61</i>	

As the comparison shows, the overall percentage of days lost has increased from 4.61% in 2013/14 to 4.81% in 2014/15 – a rise of 4.33%.

Appendix 1b illustrates the above information in graph format.

The overall percentage of working days lost due to sickness absence in each of the last five years is as follows.

<i>Table 4</i>	2010/11	2011/12	2012/13	2013/14	2014/15
Percentage days lost	4.62	4.92	5.12	4.61	4.81

It has not been possible to produce a breakdown of annual percentage absence by directorate due to the transitional period of the organisational restructuring.

### 4.4 **Incidence of Absence**

Appendix 2 gives a breakdown of absence figures illustrating in percentage terms (a) the total number of days lost through absences of 1 day, 2 to 5 days, 5 to 20 days and more than 20 days and (b) the incidence of absences of these same periods.

Comparative information for 2013/14 is also included.

#### **4.5 Cost of Sickness Absence**

In 2014/15 the direct cost of employees' sickness absence ie the cost of sick pay, was £3,734,550 compared with £3,566,145 in 2013/14 – an increase of £168,405 (4.72%).

This figure comprises statutory sick pay payments of £615,589 and occupational sickness allowance payments of £3,118,960.

The cost of direct sick pay represented 3.21% of total salary costs (2.92% in 2014/15).

There are also hidden costs associated with absence. As illustrated in the pie chart at Appendix 2, in 2014/15 33% of incidences of absence were for one day and 43% for 2 to 5 days. Short term absence can cause serious disruption to efficiency at every level of operation as it inevitably impacts on others attending work and makes it difficult to maintain service delivery standards. Accordingly, any reduction in absence levels can result in non-cash savings in terms of reduced disruption to service delivery as well as the direct cost reduction.

#### **4.6 Reasons for Sickness Absence**

Analysis of the reasons for sickness absence in the council in 2014/15, detailed at [Appendix 3](#), shows that the major causes of absences, are stress-related, stomach conditions, lower limb, respiratory/circulatory, back, and colds and flu problems.

Stress-related absence (work and non-work related) accounts for approximately one in four of days lost and remains the single largest cause of absence. This is a pattern common to almost all local authorities, public bodies and indeed all employers.

As a matter of priority the council strives to reduce stress-related absence and to support employees suffering from such conditions through its various absence management measures and the introduction of additional employee well-being support.

The council is currently reviewing the reasons for sickness absence categories as part of the introduction of the new Leave Management Module of the Corporate HR/Payroll System. It is anticipated that the reasons for sickness absence will be more appropriately defined and reported upon in the future, including a separation of work related and non-work related stress. This review is also being undertaken by other Scottish local authorities and therefore may provide scope for comparison in the future.

### **5. COMMENT**

**5.1** This year's absence figure is a 4.3% increase on last year's figure.

**5.2** Human Resources continue to support managers to address their absence management responsibilities through direct one-to-one support and through the delivery of appropriate training. Additional support from our occupational health provider in relation to reducing absence is also currently being investigated.

### **6. FINANCIAL IMPLICATIONS**

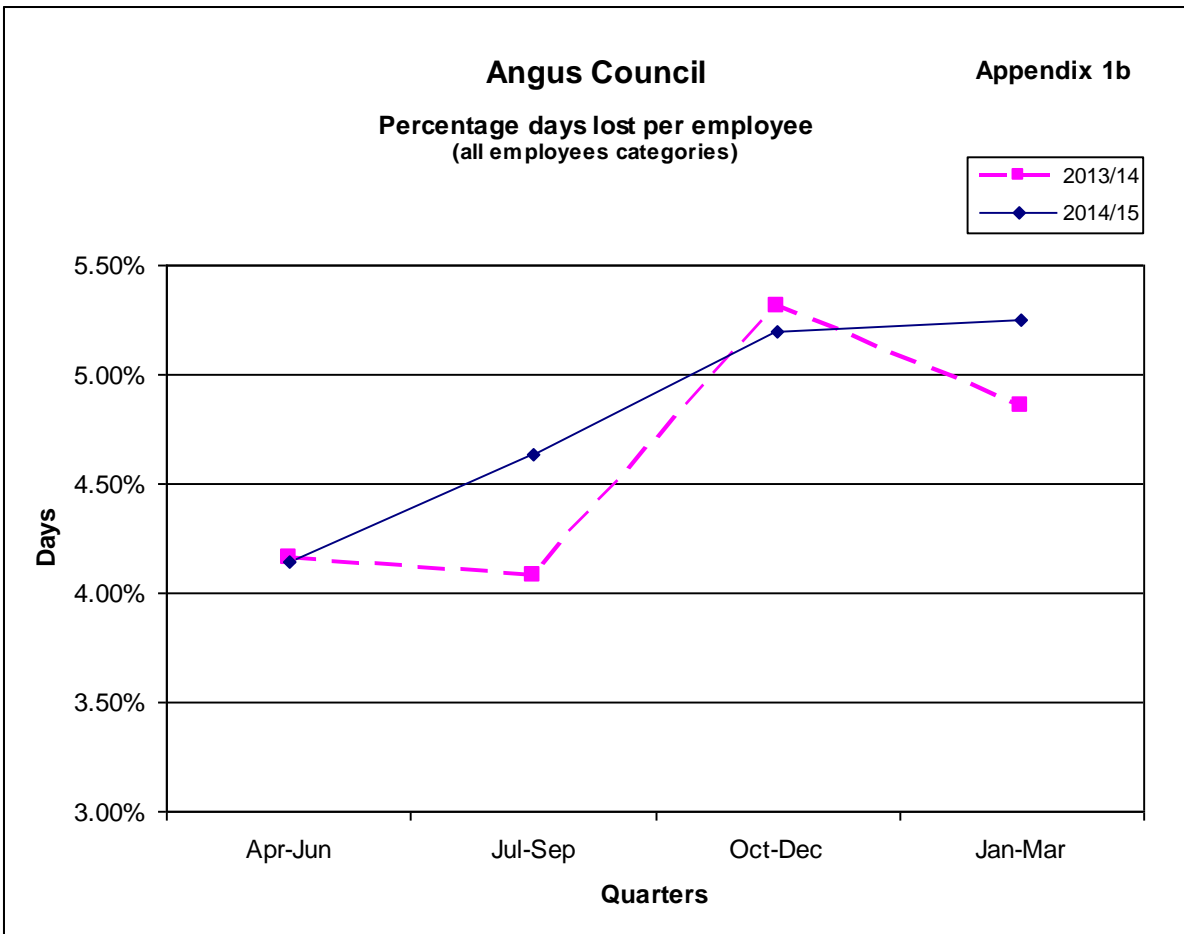
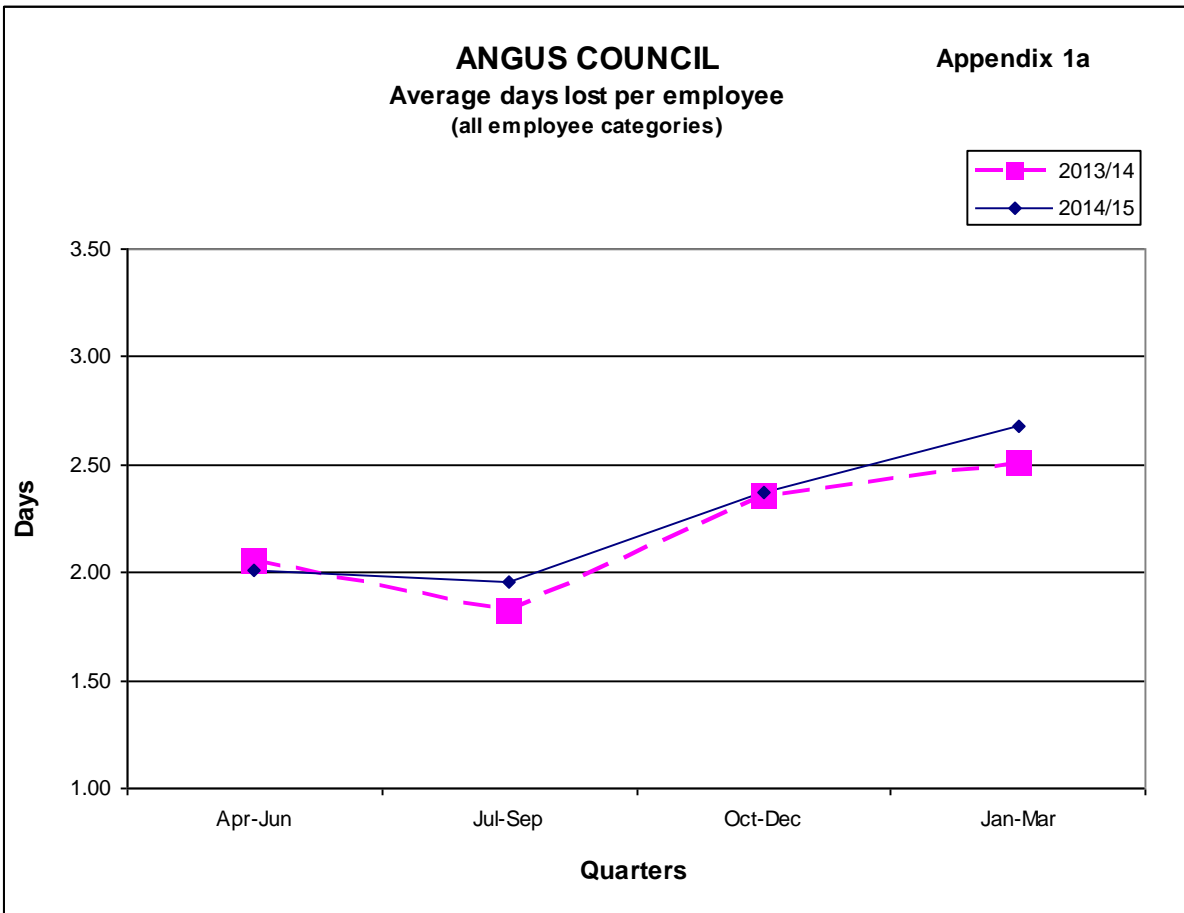
**6.1** There are no direct financial implications associated with the terms of this report. As members will know from the council's financial results for 2014/15, staff costs (including sickness absence) have been met from the existing budgets set.

### **7. CONSULTATION**

**7.1** The Chief Executive, Strategic Director – Resources, Strategic Director – Communities, Strategic Director – People, Head of Corporate Improvement & Finance and Head of Legal & Democratic Services have been consulted on the terms of this report.

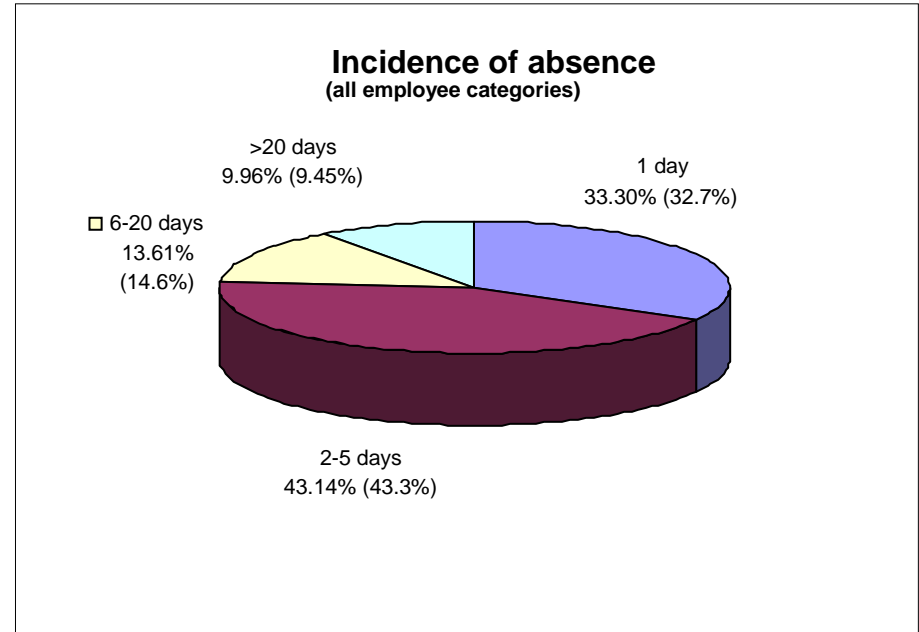
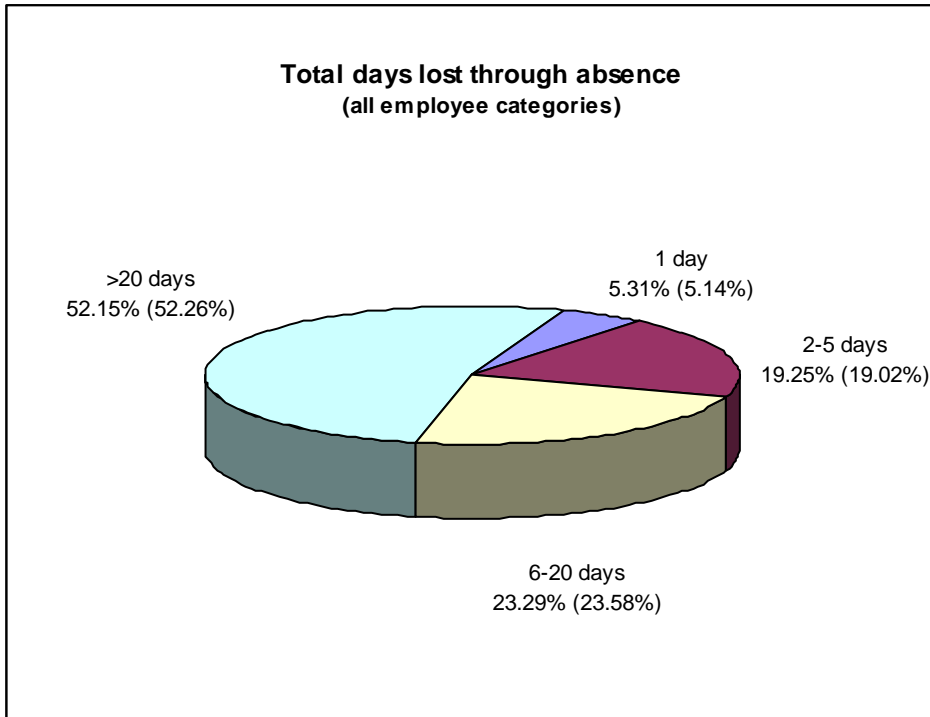
**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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Breakdown of Absence 2014/15



Figures in brackets relate to 2013/14

## REASONS FOR SICKNESS ABSENCE

Reason	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
	%	%	%	%	%	%
Stress Related	21.91	23.74	22.66	21.47	18.65	19.46
Stomach	11.01	12.16	10.83	9.52	10.19	10.56
Lower Limb	7.55	7.03	6.93	6.94	8.28	7.56
Respiratory/Circulatory/Heart	7.60	6.53	7.28	6.87	8.02	7.26
Back	7.72	6.25	6.42	6.58	8.03	6.25
Cold/Flu	7.13	5.78	7.67	6.09	7.76	10.06
Ear/Nose/Throat	3.97	3.04	3.54	3.15	2.91	4.80
Upper Limb	2.32	2.81	3.34	3.73	4.79	3.66
Headache	2.71	2.68	2.17	2.44	2.07	1.77
Upper Body	2.66	1.54	1.45	3.97	3.10	1.95
Eye/Face	0.90	0.77	0.90	0.71	0.85	0.92
Other Medical Reasons	24.52	27.65	26.82	28.54	25.16	25.75