



Report to:

Northwards Board

Thursday 12 October 2006

Item No:

9b

Title:	ABSENCE REPORTING		
Date:	2 October 2006		
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Confidential:	No	If yes, state reasons why confidential	
For: (Please tick action required)	NOTING √	DISCUSSION	APPROVAL
PURPOSE OF REPORT			
<ul style="list-style-type: none"> • Provide a status report on Northwards Absence. • Likely outturn against the year end target. • Inform how Northwards will reduce absence by effective policies and procedures, encourage two-way communication channels with the line managers, and outline accurate reporting that identifies patterns and trends of employee absence within business units. 			
RECOMMENDATION			
It is recommended that the Board notes the rationale of absence management including the reporting process, the relationship between the Human Resource Team and Line Managers in order to achieve the organisational health indicator absence target of 10 days.			
IMPLICATIONS			
Equality & Diversity:	The absence reporting provides a robust procedure to ensure Northwards fulfils its obligation as a good employer which strongly incorporates managing equality and diversity implications within the workplace.		
Financial:	The aim of the Human Resource Team reporting absence is to minimise the cost of sickness and ensure that Line Managers and the organisation are aware of the implications to the business. In producing the various reports, it is envisaged that this will assist in supporting Line Managers and minimise absence levels.		
Staffing:	The impact of high absence levels within the organisation will result in additional workload and a drop in service levels to customers. By implementing these report mechanisms, managers will assess absence levels, and identify any welfare requirements for Northwards employee's.		
Decency Target:	High attendance within the workplace will deliver the DH programme.		
Governance:	Absence management is an essential part of effective HR practices.		
Risk Assessment:	Not currently assessed as a primary risk area.		

Equality & Diversity Implications (Please tick where relevant):

BME	<input checked="" type="checkbox"/>	Lesbian/Gay/Bisexual/Transgender	<input checked="" type="checkbox"/>
Elderly	<input checked="" type="checkbox"/>	Single Parents	<input checked="" type="checkbox"/>
Young	<input checked="" type="checkbox"/>	Domestic Violence	<input checked="" type="checkbox"/>
Disability	<input checked="" type="checkbox"/>	Alcohol / Drug Mis-users	<input checked="" type="checkbox"/>

Consultation/Consideration:

	Yes, No or N/A:	Name:	Date:
Sub-Committee:	Yes	Human Resources and Equality	26 September 2006
Area Panel:			
Ward Councillors:			

ABSENCE REPORT

1.0 Purpose of the Report

- 1) Provide a status report on Northwards Absence.
- 2) Outlines projected absence figures for 2006/07.
- 3) Informs how Northwards will reduce absence by effective policies and procedures, encourage, two way communication channels with the line management population, and outline accurate reporting that identifies patterns and trends from employees absence within their business units.

2.0 Introduction

Absenteeism is an issue that affects all organisations. The Chartered Institute of Personnel Development (CIPD) 2006 Absence Management survey reveals that an average of 8 days a year per employee are lost to absence costing £598 per worker, while the CIPD's report entitled 'Absence and Labour Turnover 2006' puts the estimated cost of absence to UK employees at a staggering £13.2 billion a year. Less tangible costs will also have an impact on an organisation, such as additional workload inflicted on employees, recruitment and training, and the possibility of a decrease in customer service.

Northwards total sickness cost from April 2006 to August 2006 was £80,000. Calculated as an overall organisational cost, this figure represents a 5 month analysis across all of Northwards departments. This figure does not take into account the additional cost of manpower to maintain service levels.

This report will outline the steps that Northwards have implemented in identifying trends and patterns, and attempt to assess, locate, identify, evaluate, design, implement and monitor the effectiveness of its absence control programmes in supporting line managers to manage this function effectively.

The report will also outline the current collation of data on absence, in particular the statistical data which is gathered and communicated within the organisation. This includes weekly and monthly performance indicators, a projected actual figure report, followed by mechanisms that the Human Resources Team have implemented in addressing the issue of attendance management.

3.0 Statistical Data

Northwards Human Resource Team produces three reports to senior managers and line managers on absence performance periodically. The following section describes specific data which is produced, and how this is communicated to the business.

3.1 Weekly/Monthly Data

Each month, the Human Resources Team produces an Absence performance report based on each business section. This is calculated by working out the total number of days that employees are contracted to work and then dividing this number into the number of days in which employees failed to attend.

A target of 3% is set for each business unit, which is symbolised and reported to the organisation by using a colour absence performance scorecard, which provides quick and easy reference to identify poor and satisfactory absence performers. Business units that exceed the set target of 3% are offered support and advice from the Human Resource Team.

This data for the months of July and August 2006 is set out in the Appendices. This is produced and circulated across the business to the:-

- Executive Management Team.
- Senior Management Team.
- Trade Unions.
- Line Managers.

3.2 Projected Forecast Figures

An additional monitoring mechanism that Northwards has implemented is a monthly one page reporting document which establishes a projected figure for the 12 months period. Appendix 2 refers to this projected figure.

An average calculation of days off per department is then established using the accumulative to date figure divided by the number of employees in each department. Using empirical analysis, government directives and benchmarking with other Arms Length Management Organisations, Northwards is currently performing below our 'Best Value' target of 10 days. If absence trends were to perform at the current rate/percentage for the next 7 months, Northwards would report an average of 9 days off per employee which is below the target of 10 days for each employee.

Historically, absence within both the public and private sectors appears to be higher during the winter period, therefore, it is envisaged that the average number of days per employee figure will increase.

Absence levels in the public sector are considerably higher in comparison to the private sector. British Gas, The AA, Abbey, The Royal Bank of Scotland and O2 has effective absence policies and report absence to be between 5 and 9 days per employee respectively.

According to an Income Data Service Report (2005) the average figure is between 10 and 12 days within the public sector. Absence rates are perceived to remain high in the public sector, even when there are strong absence management policies in place.

3.3 Absence Analysis for each Business Section

Managers have requested a monthly document outlining individual absences for their teams. Using data from the weekly attendance sheets, this is transferred to a monthly report which displays a cumulative figure for each individual. The target for each individual is not to exceed the 10 days target.

The Human Resource Team will use this data to identify particular patterns of absence and any underlying causes. This information can also provide the Board with evidence on how absence impacts on the bottom line and why it is worth investing in an effective absence management programme.

3.4 Short/Long Term Absence

Long term absence requires a robust process to follow which provides a support mechanism for both the employee and line manager. Northwards currently utilises the service of the Occupational Health Team at Manchester City Council which meets our requirements.

Currently, Northwards have four employees who are absent long term. Unfortunately, long term sick is unforeseeable which cannot be anticipated or projected. However, line managers follow the long term policy and procedure.

4.0 Summary

Northwards absence trends indicate that the target of 10 days will be achieved if trends continue within a 9 month period. Northwards now has policies and procedures, clear channels of communication and supportive tools to manage absence effectively.

5.0 Conclusion

Relationships between the Human Resource Team and Line managers play a vital role in controlling and reducing absence. By creating effective relationships with Line Managers and providing effective tools and support, it is envisaged that absence will be properly managed across the organisation.

By cementing Northwards Human Resource ideology in measuring and costing absence, Northwards can benchmark: to performance, track progress over time and justify investing in policies designed to reduce absence levels.

Appendix 2

NORTHWARDS ABSENCE FIGURES FROM APRIL 06 - AUG 06

	Accumulated days lost - April - Aug 06	Average Days Off Per Person	Total Teams - Annual Figure of Absence based on current trends	Target Days Off for 12 months	Projected Annual Average Days Off Per Person (based on current trends)	Target = 10 days (Projected Variance to target)	Accumulated monthly totals
Finance	20.5	1.9	49.2	10.0	4.5	5.5	1.8
Rent Recovery Team	28.5	1.8	68.4	10.0	4.3	5.7	1.7
Human Resources	4.5	0.6	10.8	10.0	1.5	8.5	0.6
ICT	7	1.2	16.8	10.0	2.8	7.2	1.2
Business Support	36.5	2.8	87.6	10.0	6.7	3.3	2.7
Business Support Total	97	Based on 53 employees = 0.5	232.8	10.0	4.0		8.0
White Moss Rd LS	73	4.3	175.2	10.0	10.3	-0.3	3.9
Monsall Street LS	60	2.9	144.0	10.0	6.9	3.1	2.7
Cheetham Hill LS	100	6.7	240.0	10.0	16.0	-6.0	6.1
Rehousing Team	9.5	0.7	22.8	10.0	1.8	8.2	0.9
Wardens	102.5	3.3	246.0	10.0	7.9	2.1	3.1
Caretaking Services	411	8.9	986.4	10.0	21.4	-11.4	8.9
Neighbourhood Services	756	Based on 143 employees = 0.18	1814.4	10	10.7		25.6
Surveying Services (W/Moss Rd)	108	3.9	259.2	10.0	9.3	0.7	4
Technical Services (Parkside)	42.5	0.7	102.0	10.0	1.6	8.4	0.7
Asset/Procurement Team	165	9.2	396.0	10.0	22.0	-12.0	9.6
Property Services	315.5	Based on 111 employees = 0.35	757.2	10.0	10.9		14.3
Executive Management Team	2	0.4	4.8	10.0	1.0	9.0	0.3
Executive Management Team	2				0.2		0.3
Northwards Organisational - figure cumulative to date	1170.5	3.7	2809.2	10.0	9.0	1.0	3.6

Absence Performance

(Days lost) / (No of Days Worked x No of Staff) * 100 = %

SECTION	AUGUST													
	No of Staff	No of Days worked x weekly no of staff	06/08/2006		13/08/2006		20/08/2006		27/08/2006		03/09/2006		Average Monthly Total	
			Days lost	%	Days lost	%	Days lost	%	Days lost	%	Days lost	%	Days lost	%
Executive Management Team	8	40	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Business Support														
Finance	11	55	1	1.80%	4	7.30%	0	0%	0	0%	1	1.80%	6	2.70%
Rent Recovery Team	17	85	0	0%	0	0%	0	0%	4	4.70%	5	5.90%	9	2.60%
Human Resources	8	40	1	2.50%	1	2.50%	0	0%	0	0%	0	0%	2	1.30%
ICT	6	30	0	0%	0	0%	0	0%	1	3.30%	1	3.30%	2	1.70%
Business Support	17	85	0	0%	0	0%	4.5	5.30%	0	0%	3	3.50%	7.5	2.20%
Neighbourhood Services														
Whitemoss Road LS	19	95	7	7.40%	0	0%	0	0%	0	0%	0	0%	7	1.80%
Monsall Street LS	26	130	0	0%	3	2.30%	4	3.10%	0	0%	5	3.80%	12	2.30%
Cheetham Hill LS	19	95	2	2.10%	5	5.30%	5	5.30%	0	0%	0	0%	12	3.20%
Rehousing Team	11	55	2	3.60%	0	0%	0	0%	3.5	6.40%	0	0%	5.5	2.50%
Warden	36	180	9.5	5.30%	3	1.70%	13	7.20%	10	5.60%	12	6.70%	47.5	6.60%
Caretaking Services	46	230	10	4.30%	10	4.30%	11	4.80%	11	4.80%	7	3%	49	5.30%
Property Services														
Surveying Services (W/moss Rd)	28	140	2	1.40%	4	2.90%	4	2.90%	3.5	2.50%	6	4.30%	19.5	3.50%
Technical Services (Parkside)	73	365	1	0.30%	0	0%	1	0.30%	0	0%	0	0%	2	0.10%
Asset/Procurement Team	17	85	5	5.90%	6	7.10%	5	5.90%	11	12.90%	4	4.70%	31	9.10%

Total % of Absence For Each Section (Total Days Lost) / (No of Days Worked x No of Staff) * 100 = %

SECTION	Total No Of Staff	No of days worked per month	TOTAL %											
			06/08/2006		13/08/2006		20/08/2006		27/08/2006		03/09/2006		Accumulated	
			Days lost	%	Days lost	%	Days lost	%	Days lost	%	Days lost	%	Days lost	%
Executive Management Team	8	40 x 4 = 160	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Business Support	59	295 x 4 = 1180	2	0.70%	5	1.70%	4.5	1.50%	5	1.70%	10	3.40%	26.5	2.20%
Neighbourhood Services	157	785 x 4 = 3140	30.5	3.90%	21	2.70%	33	4.20%	24.5	3.10%	24	3.10%	133	4.20%
Property Services	118	590 x 4 = 2360	8	1.40%	10	1.70%	10	1.70%	14.5	2.50%	10	1.70%	52.5	2.20%
TOTAL	342	1710 / 6840	40.5		36		47.5		44		44		212	

Green = 3% and under
 Amber = 3.1% - 3.5%
 Red = 3.6% and over

Absence Performance		(Days lost) / (No of Days Worked x No of Staff) * 100 = %										
SECTION		JULY										
Week	No of Staff	No of Days worked x weekly no of staff	09/07/2006		16/07/2006		23/07/2006		30/07/2006		Average Monthly Total	
			Days lost	%	Days lost	%	Days lost	%	Days lost	%	Days lost	%
Executive Management Team	8	40	0	0%	0	0%	0	0%	0	0%	0	0%
Business Support												
Finance	11	55	0	0%	1.5	2.70%	0	0%	0	0%	1.5	0.70%
Rent Recovery Team	17	85	5	5.90%	0	0%	1	1.20%	4	4.70%	10	3%
Human Resources	7	35	0	0%	0	0%	1.5	4.30%	0	0%	1.5	1.10%
ICT	6	30	0	0%	0	0%	1	3.30%	0	0%	1	0.80%
Business Support	17	85	1	1.20%	0	0%	0	0%	0	0%	1	0.30%
Neighbourhood Services												
Whitemoss Road LS	19	95	0	0%	7	7.40%	3	3.20%	5	5.30%	15	4%
Monsall Street LS	26	130	0	0%	5	3.80%	5	3.80%	10	7.70%	20	4%
Cheetham Hill LS	18	90	7	7.80%	9	10%	1	1.10%	0	0%	17	4.70%
Rehousing Team	11	55	0	0%	0	0%	0	0%	0	0.00%	0	0%
Warden	36	180	0	0%	0	0%	0	0%	1.50	0.80%	1.5	0.20%
Caretaking Services	46	230	11	4.80%	10	4.30%	11	4.80%	10	4.30%	42	4.60%
Property Services												
Surveying Services (W/moss Rd)	28	140	5	3.60%	5	3.60%	0	0%	0	0%	10	1.80%
Technical Services (Parkside)	70	350	0	0%	0	0%	3	0.90%	3	0.90%	6	0.40%
Asset/Procurement Team	17	85	5	5.90%	10	11.80%	6	7.10%	0	0%	21	6.20%
Total % of Absence For Each Section		(Total Days Lost) / (No of Days Worked x No of Staff) * 100 = %										
SECTION	Total No Of Staff	No of days worked per month	TOTAL %									
			09/07/2006		16/07/2006		23/07/2006		30/07/2006		Accumulated	
			Days lost	%	Days lost	%	Days lost	%	Days lost	%	Days lost	%
Executive Management Team	8	40 x 4 = 160	0	0%	0	0%	0	0%	0	0%	0	0%
Business Support	58	290 x 4 = 1160	6	2.10%	1.5	0.50%	3.5	1.20%	4	1.40%	15	1.29%
Neighbourhood Services	156	780 x 4 = 3120	18	2.30%	31	4.00%	19	2.40%	26.50	3.40%	95.50	3.00%
Property Services	115	575 x 4 = 2300	10	1.70%	15	2.60%	9	1.60%	3	0.50%	37	1.60%
TOTAL	337	1685 / 6740	34		48		32		34		147.5	
Green = 3% and under												
Amber = 3.1% - 3.5%												
Red = 3.6% and over												