



EMPLOYEES' CONSULTATIVE FORUM

**WEDNESDAY 1 NOVEMBER 2006
7.30 PM**

**COMMITTEE ROOMS 1&2
HARROW CIVIC CENTRE**

**[Pre Meetings: Council 7.00 PM CTTEE RM 1 & 2]
Employees' 6.30 PM CTTE RM 3]**

MEMBERSHIP (Quorum: 3 from the Council Side and 3 from the Employees' Side of the permanent membership)

Chair:

Councillors:

**David Ashton
Mrs Camilla Bath (VC)
Don Billson
Chris Mote**

**Bob Currie
Graham Henson
Navin Shah**

Employee Representatives

Representatives of HTCC: (To be advised)

Representatives of UNISON: Ms L Ahmad Mr M Nolan
Mr S Compton Mr J Rattray
Ms S Duffell

Representative of GMB: Mr S Karia

Reserve Council Side Members:

- | | |
|-------------------|--------------------|
| 1. Joyce Nickolay | 1. B E Gate |
| 2. Tony Ferrari | 2. Mrs Sasi Suresh |
| 3. Paul Osborn | 3. Keith Ferry |
| 4. Julia Merison | |

**Issued by the Democratic Services Section,
Legal Services Department**

**Contact: Zoe Crane, Committee Administrator
Tel: 020 8424 1883 E-mail: zoe.crane@harrow.gov.uk**

HARROW COUNCIL

EMPLOYEES' CONSULTATIVE FORUM

WEDNESDAY 1 NOVEMBER 2006

AGENDA - PART I

1. **Appointment of Chairman:**

To receive a nomination from the Employee's side as to the Chairman of the Forum for the remainder of the Municipal Year 2006/2007.

2. **Attendance by Reserve Members:**

To note the attendance at this meeting of any duly appointed Reserve Members.

Reserve Members may attend meetings:-

- (i) to take the place of an ordinary Member for whom they are a reserve;
- (ii) where the ordinary Member will be absent for the whole of the meeting; and
- (iii) the meeting notes at the start of the meeting at the item 'Reserves' that the Reserve Member is or will be attending as a reserve;
- (iv) if a Reserve Member whose intention to attend has been noted arrives after the commencement of the meeting, then that Reserve Member can only act as a Member from the start of the next item of business on the agenda after his/her arrival.

3. **Deputations:**

To receive deputations (if any) under the provisions of Advisory Panel and Consultative Forum Procedure Rule 14 (Part 4E of the Constitution).

4. **Declarations of Interest:**

To receive declarations of personal or prejudicial interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee, Sub Committee, Panel or Forum;
- (b) all other Members present in any part of the room or chamber.

5. **Arrangement of Agenda:**

To consider whether any of the items listed on the agenda should be considered with the press and public excluded on the grounds that it is thought likely, in view of the nature of the business to be transacted, that there would be disclosure of confidential information in breach of an obligation of confidence or of exempt information as defined in Part 1 of Schedule 12A to the Local Government (Access to Information) Act 1972 (as amended).

6. **Minutes:**
That the minutes of the meeting held on 4 July 2006 be taken as read and signed as a correct record.
7. **Public Questions:**
To receive questions (if any) from local residents or organisations under the provisions of Advisory Panel and Consultative Forum Procedure Rule 15 (Part 4E of the Constitution).
8. **Petitions:**
To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Advisory Panel and Consultative Forum Procedure Rule 13 (Part 4E of the Constitution).
- Enc. 9. **Restructuring within Business Development and People First:** (Pages 1 - 2)
Report from UNISON.
- Enc. 10. **Revised Grievance Procedure:** (Pages 3 - 12)
Report of the Interim Director of HR.
- Enc. 11. **Improving Attendance Procedure:** (Pages 13 - 18)
Report of the Interim Director of HR.
- Enc. 12. **Stress Group / Wellbeing Report:** (Pages 19 - 32)
Report of the Director of Finance and Business Strategy.

AGENDA - PART II - NIL

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Harrow Unison Submission for
ECF 1st November 2006

Restructuring within Business Development and People First

Unison apologized for bringing this issue to ECF although it has not been through the DJC and CJC.

The reason for this is that the Chair of CJC is the HR lead on the restructure in BD (OD). The issues in PF are linked and for that reason it seems appropriate to join them and present to ECF for resolution.

Unison has concerns that the Protocol for Managing Organisational Change is not being followed in these Directorates.

In both Directorates management have ‘job matched’ without reference to the Unions.

However it is good practice to have joint matching (often by panel) because the matching decisions are so crucial. There are precedents in HITS, Access Harrow, HRES and Housing where joint job matching has taken place.

Unison is seeking an agreement that all restructures within Harrow involve joint job matching.

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Meeting:	Employees' Consultative Forum
Date:	1 November 2006
Subject:	Grievance Procedure
Key Decision: (Executive-side only)	No
Responsible Officer:	Jon Turner, Interim Director of Human Resources
Portfolio Holder:	Deputy Leader with portfolio responsibilities for Finance and Business Matters Cabinet Assistant for People Performance and Policy Portfolio Holder for Community Development
Exempt:	No
Enclosures:	Revised Grievance Procedure

SECTION 1 – SUMMARY AND RECOMMENDATIONS

This report is seeking agreement to the revised Grievance Procedure in the absence of agreement by the unions.

RECOMMENDATIONS:

The Committee is requested to:
Make a recommendation to Cabinet to agree the revised Grievance Procedure without further consultation if in the event it is not possible to reach agreement with the unions at Corporate Joint Committee.

REASON: The current Grievance Procedure does not reflect (a) the Employment Act 2002 (Dispute Resolution) Regs 2004, (b) the ACAS Code of Practice for Disciplinary & Grievance and (c) trends in Tribunal case law regarding grievance resolution.

SECTION 2 - REPORT

Brief Background

Since the introduction of the Employment Act 2002 (Dispute Resolution) Regs 2004, which came into effect on the 1 October 2004, there has been an increase in grievances raised by employees (9 in 2004/2005 to 44 in 2005/2006).

The Council's current Grievance Procedure has three stages leading to a potential prolonged delay in resolving employee's grievances.

The revisions to the Grievance Procedure are to reflect (a) the 2004 Regulations; (b) the ACAS Code of Practice for Disciplinary & Grievance and (c) trends in Tribunal case law regarding grievance resolution. The specific changes made to the Procedure are:

- Replacement of the current three stages and levels of delegated authority to the following three steps:
 - o Step 1 – Employee submits grievance form
 - o Step 2 – Grievance meeting held and chaired by employees line manager
 - o Step 3 – Grievance Appeal meeting held and chaired by a Group Manager or their nominee or Headteacher
- Realistic timescales to enable cases to progress without undue delay
- User-friendly and simple procedure with best practice guidelines to be provided to managers and employees on it's application
- Updated best practice model for adoption by Schools if they so wish

Issues to be determined

Implementation of the Procedure despite agreement not being received from the unions.

Consultation has taken place on an informal basis with UNISON and GMB and formal consultation began on the 10 October 2006. Objections have been raised by the unions regarding the removal of a stage and Director/Member level hearing the final stage.

In response to the removal of a stage, this is to reflect the two stages within the ACAS Code of Conduct on best practice.

The 2004 Regulations gives employees a statutory right to raise a grievance at an Employment Tribunal after they have exhausted the organisations Grievance Procedure. There has been an increase in grievances raised by employees since these regulations have been introduced which suggests employees are exercising this right. The removal of Director/Member level involvement is in response to this. In addition, it will contribute to the Corporate Priority of Tackling Waste and Giving Real Value for Money in as far as there will be more focussed Officer time in resolving grievances in as short a time as possible.

Options recommended and reasons for recommendation

No other options were considered. The revisions to the Procedure will enable a more speedy resolution and consistent with ACAS best practice guidance and meet trends in Tribunal case law. The Procedure ensures fairness and consistency in addressing employee's grievances. The Procedure also supports Schools in the adoption of this Procedure.

Resources, costs and risks associated with recommendations

Resourcing

There are no direct resources other than updating the Intranet and notifying employees of the revision. The revisions contained within the Procedure will eliminate the current involvement at Director and Member level along with the current support required by Democratic Services.

Costs

There are no direct costs of introducing this revised Grievance Procedure. Briefings to managers on the new procedure will be provided by the HR Strategy team within existing resources.

Risks

Changes to the grievance procedure have a direct bearing on employees' contract of employment. The risk of industrial action being taken against the change is low. There is also a low risk of a breach of contract/constructive dismissal claim.

Staffing / Workforce Consideration

The new Grievance Procedure will apply to all staff and is intended to resolve grievances without undue delay.

Equalities Impact consideration

The Grievance Procedure ensures fairness and consistency in how grievances are dealt with. However, monitoring of the use of the procedure and its impact on different social identity groups will be made and reported in the Annual Equality Report.

Legal and Financial Comments

Legal Comments

The revised Grievance Procedure will help ensure that the Council complies with the requirements under the 2004 Regulations to deal with grievances without undue delay.

Financial Comments

There are no direct costs from the introduction of the revised Grievance Procedure. Briefings to managers on the new procedure will be provided by the HR Strategy team within existing resources.

SECTION 3 - STATUTORY OFFICER CLEARANCE

Chief Finance Officer	<input checked="" type="checkbox"/>	Name: Barry Evans
		Date: 17 October 2006
Monitoring Officer	<input checked="" type="checkbox"/>	Name: Jill Travers
		Date: 17 October 2006

SECTION 4 - CONTACT DETAILS AND BACKGROUND PAPERS

Contact: Vanessa Cooper, Human Resources Adviser, 020 8424 1976

Background Papers:

- Revised Grievance Procedure

IF APPROPRIATE, does the report include the following considerations?

1.	Consultation	YES
2.	Corporate Priorities	YES
3.	Manifesto Pledge Reference Number	-

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HARROW SCHEME FOR PAY AND CONDITIONS OF SERVICE

Subject:	Grievance Procedure
Section:	Fair Treatment
Date:	TBC

1. Policy Statement

The objectives of this procedure are:-

- To ensure the Council treats grievances seriously and resolves them without undue delay;
- To foster good relationships between the Council and its employees by discouraging grievances;
- To settle grievances as near as possible to their point of origin; and
- To ensure that employees are treated fairly and consistently throughout the Council.

The timescales referred to in this procedure are for guidance only and may vary depending upon other factors including the complexity of the complaint. Each step and action under the grievance procedure should be taken without undue delay.

2. Who does the Standard Procedure apply to?

The standard procedure applies to all employees of the Harrow Council and is recommended for adoption by school governing bodies following consultation with their staff.

3. When does the Modified Procedure apply?

The Modified Procedure applies in the following circumstances:

- The employee has left the Council's employment, and
- the Council was either:
 - unaware of the grievance before the employee left, or
 - was aware of the grievance but the standard procedure had not started or was not completed before the employee left; and,
- the parties have agreed in writing that the modified procedure should apply.

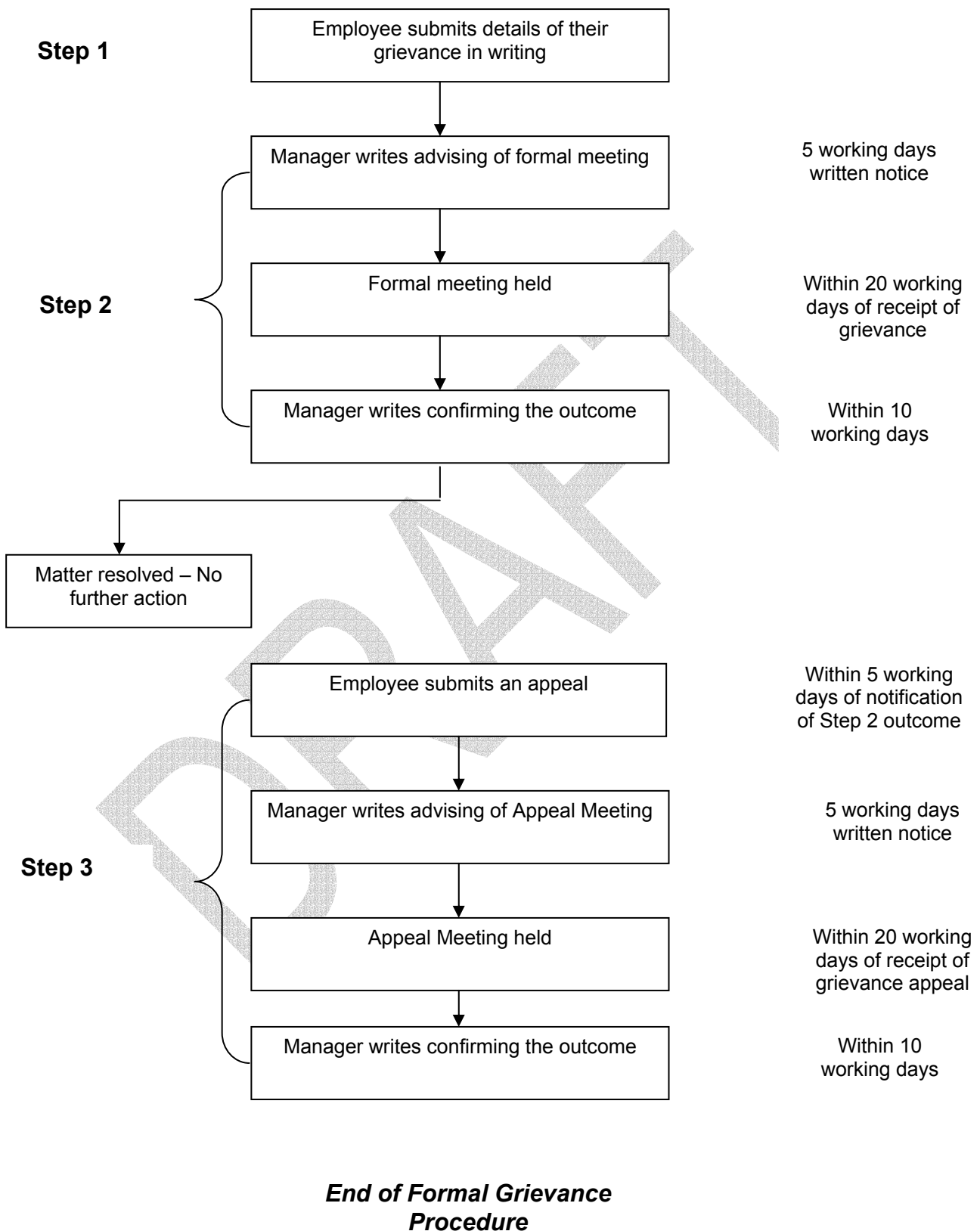
4. Informal Resolution

The informal resolution is not part of the formal grievance procedure

If an employee has a grievance about their employment they should first discuss it informally with their immediate line manager preferably at a one to one.

HARROW SCHEME FOR PAY AND CONDITIONS OF SERVICE

5. Summary of Standard Formal Grievance Procedure



6. Standard Formal Grievance Procedure

6.1 Step One

The employee must set out the grievance and the basis for it in writing and send a copy of it to their line manager. It is recommended that employees use the Grievance Form, however if the employee does not use this form, the complaint will still be accepted.

The grievance should normally be heard within 20 working days of receipt of the grievance being lodged.

6.2 Step Two

The manager will invite the employee to attend a meeting to discuss the grievance.

The meeting will take place once the manager has had a reasonable opportunity to consider the complaint including carrying out a fact finding investigation where the manager deems this appropriate.

The employee must take all reasonable steps to attend the meeting.

After the meeting, the manager will inform the employee of the managers decision in writing and will notify the employee of their right to appeal against that decision. Appeals must be lodged within five working days of receipt of the written decision.

6.3 Step Three

Appeals will be heard by a more senior manager than the manager who heard the original complaint (where reasonably practicable). The appeal meeting should normally be held within 20 working days of receipt of the appeal being lodged.

An employee must set out the basis for their appeal in writing and send it to the relevant manager. It is recommended that the employee uses the Grievance Record Form, however if the employee does not use this form, the appeal will still be accepted.

The manager will invite the employee to attend a meeting to discuss the appeal. The employee must take all reasonable steps to attend the meeting.

After the meeting the manager will set out their response in writing to the employee.

There is no further right of appeal.

7. Modified Grievance Procedure

7.1 Step One

The former employee must set out in writing their grievance and the basis for it and send the statement to the Human Resources Service Manager for their former directorate. It is recommended that the former employee also uses the Grievance Record Form, however if the former employee does not use this form, the grievance will still be accepted.

7.2 Step Two

The manager must set out their response in writing and send a copy of this to the former employee normally within 20 working days.

There is no right of appeal.

8. Grievances related to a disciplinary / capability case

If an employee raises a grievance which is related to a disciplinary or capability case currently being carried out, the manager's manager should consider suspending the disciplinary or capability procedure for a short period in order for the grievance to be considered further.

9. Right to be accompanied

Employees have the right to be accompanied by a fellow worker or a trade union official when attending meetings in relation to their formal grievance.

10. Confidentiality

At all stages of the procedure the need to maintain confidentiality will be observed by all parties. The circulation of information will be in conformity with the need to ensure a fair process.

11. Definitions

Employee

An employee is the person who has raised the grievance

Manager

- Informal Resolution: Relates to the employee's immediate line manager
- Step 2: Relates to the employee's immediate line manager or their nominee
- Step 3: Relates to a Group Manager or above
- Schools cases: Relates to a senior member of staff or the Headteacher.



Meeting:	Employees' Consultative Forum
Date:	1 November 2006
Subject:	Improving Attendance Procedure (Previously – Policy and Procedure for dealing with Absence)
Key Decision: (Executive-side only)	No
Responsible Officer:	Jon Turner, Interim Director of Human Resources
Portfolio Holder:	Deputy Leader, with portfolio responsibilities for Finance and Business Matters Cabinet Assistant for People Performance and Policy Portfolio Holder for Community Development
Exempt:	No
Enclosures:	Improving Attendance Procedure

SECTION 1 – SUMMARY AND RECOMMENDATIONS

This report is seeking agreement to the revised Policy and Procedure for Dealing with Absence (renamed - Improving Attendance Procedure) in the absence of agreement by the unions.

RECOMMENDATIONS:

The Committee is requested to:

Make a recommendation to Cabinet, that the revised Improved Attendance Procedure be agreed, without further consultation.

REASON: It may not be possible to reach agreement with the unions at

SECTION 2 - REPORT

Brief Background

The BVPI 12 gives the average number of days lost per employee due to sickness for 2005/06 as 10.08 against a target of 8.88 days. There has been an increase in sickness absence from 2004/05 to 2005/06 from 9.19 days to 10.08 days. This is a significant cost to the Council in lost productivity, in covering for absence by temporary staff or by increasing the workload of other staff.

The Council's current Policy and Procedure for dealing with Absence has three warning stages prior to dismissal, leading to a potential prolonged delay in improving an employee's attendance.

The revisions to the Absence Procedure are:

- Replacement of the current three warnings, and levels of delegated authority to the following:
 - o First Written Warning – to stay on file for 12 months.
 - o Final written Warning – to stay on file for 24 months.
 - o Dismissal
 - o Appeal meeting held and chaired by an Executive Director or their nominee or Headteacher
- Realistic timescales to enable cases to progress in a timely way
- User-friendly and simple procedure with best practice guidelines to be provided to managers and employees on its application
- Updated best practice model for adoption by Schools if they so wish

Issues to be determined

Implementation of the Procedure despite agreement not being received from the unions.

Consultation has taken place on an informal basis with UNISON and GMB and formal consultation began on the 10 October 2006. Objections have been raised by the unions regarding the removal of a stage and Members hearing the final stage.

In response to the removal of a stage, this is to ensure that cases of sickness absence are progressed in a timely way.

There is no requirement under the constitution for Absence appeals to be heard by members and to date they have been heard at Officer level. It is therefore proposed to formalise in the policy, the current arrangements for hearing of absence appeals. In addition, it will contribute to the Corporate Priority of Tackling Waste and Giving Real Value for Money in as far as there will be more focussed Officer time in resolving attendance issues in as short a time as possible.

Options recommended and reasons for recommendation

No other options were considered. The revisions to the Procedure will enable Managers to progress through the procedure in a more timely way and will ensure consistency with ACAS best practice guidance and meet trends in Tribunal case law. The Procedure ensures fairness and consistency in addressing employee's attendance issues. The Procedure also supports Schools in the adoption of this Procedure.

Resources, costs and risks associated with recommendations

Resourcing

There are no direct resources other than updating the Intranet and notifying employees of the revision.

Costs

There are no direct costs of introducing the Improving Attendance Procedure. Briefings to managers on the new procedure will be provided by the HR Strategy team within existing resources.

Risks

Changes to the grievance procedure have a direct bearing on employees' contracts of employment. The risk of industrial action being taken against the change is low. There is also a low risk of a breach of contract/constructive dismissal claim.

The revision are in accordance with ACAS's Code of Practice and meet trends in Tribunal decision making on attendance issues.

Staffing / Workforce Consideration

The new Improving Attendance Procedure will apply to all staff and is intended to deal with attendance issues as speedily as possible.

Equalities Impact consideration

The Improving Attendance Procedure ensures fairness and consistency in how attendance issues are dealt with. However, monitoring of the use of the procedure and its impact on different social identity groups will be made and reported in the Annual Equality Report.

Legal and Financial Comments

Legal Comments

The Procedure will help to ensure fairness and consistency in how attendance cases are dealt with. The revisions reflect the ACAS Guidelines on Best Practice which will contribute to the Council being in a better position to defend itself in the event of any employment tribunal claims.

Financial Comments

There are no direct costs from the introduction of the Improving Attendance Procedure. Briefings to managers on the new procedure will be provided by the HR Strategy team within existing resources.

SECTION 3 - STATUTORY OFFICER CLEARANCE

Chief Finance Officer	<input checked="" type="checkbox"/>	Name: ...Barry Evans.... Date: 17/10/06.....
Monitoring Officer	<input checked="" type="checkbox"/>	Name: ...Linda Cohen Date: ...17/10/06.....

SECTION 4 - CONTACT DETAILS AND BACKGROUND PAPERS

Contact: Treena Massey, Human Resources Adviser, 020 8424 7507

Background Papers:

- Revised Absence (Improving Attendance) Procedure

IF APPROPRIATE, does the report include the following considerations?

1.	Consultation	YES
2.	Corporate Priorities	YES
3.	Manifesto Pledge Reference Number	-

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Meeting:	Employees Consultative Forum
Date:	01.11.06
Subject:	Stress Strategy Group/Wellbeing Report.
Key Decision: (Executive-side only)	No
Responsible Officer:	Myfanwy Barrett, Director of Finance and Business Strategy.
Portfolio Holder:	David Ashton, Deputy Leader with portfolio responsibilities for Finance and Business Matters
Exempt:	No
Enclosures:	Wellbeing report

SECTION 1 – SUMMARY AND RECOMMENDATIONS

RECOMMENDATIONS:

For Information

REASON:

A response to a request by Members of the Employees Consultative Forum with respect to widening the remit of the Stress Strategy Group.

SECTION 2 – REPORT

The Health and Safety Partnership Board met on the 28th of September and considered the paper attached at appendix 1. It was decided that Health at Work Group should continue to lead on work related illness issues incorporating stress and that Myfanwy Barrett, Andrew Trehern and Paul Najsarek meet and discuss the proposals of the wellbeing paper and agree strategic direction. Paul Williams has been tasked to present key health at work issues to the Health at Work Group and stress will be one of those key issues.

Benefits

Tackling stress as part of a wider remit with respect to work related illness will enable the council to take a strategic view of work related health issues. By prioritising all areas with respect to ill health we should make better use of resources and reduce the incidence of work related ill health that leads to absence and diminished service to the public. Further benefits include;

- Improving the council's management of health, safety and welfare across all services
- Assisting the council in meeting the duties laid down in health and safety statutes

Risks

Failure of the council to make progress in effectively managing this issue in terms of work related ill health could lead to prosecutions and or compensation claims. Specific risks to implementation are;

- Mistaken priorities leading to increase work related illness
- Missing links between areas of occupational health concern
- Lack of understanding with respect to occupational health leading to increased risk.

Equalities issues

Under the Race Equality Scheme the Health and Safety Service has conducted an Equality Impact assessment which is currently being consulted on. The feedback and recommendations arising from those will be incorporated into future work. And improve service delivery.

SECTION 3 - STATUTORY OFFICER CLEARANCE

Chief Finance Officer	<input type="checkbox"/> yes
Monitoring Officer Jill Travers 20.10.06	<input type="checkbox"/> yes

SECTION 4 - CONTACT DETAILS AND BACKGROUND PAPERS

Contact:

P Williams, Health and Safety Service Manager x2362

Background Papers:

Well-being proposal: Health workplace, healthy workforce, improved business delivery – paper to Health and Safety partnership Board on the 28th of September 2006.

IF APPROPRIATE, does the report include the following considerations?

1.	Consultation	NO
2.	Corporate Priorities <ul style="list-style-type: none">• Making Harrow Safe, Sound and Supportive.	YES
3.	Manifesto Pledge Reference Number	

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Meeting:	Health and Safety Partnership Board
Date:	28 September 2006
Subject:	Well-being proposal: Health workplace, healthy workforce, improved business delivery
Corporate priorities	Tackling Waste and Giving Real Value for Money Making Harrow Safe, Sound and Supportive
Contact:	Paul Williams, Health & Safety Service Manager

Executive Summary

The scale of the cost of sickness absence is such that even small improvements in occupational health and safety performance may offer significant opportunities for improving the health of the workforce and business performance. Despite uncertainties around sickness absence data collection there is a significant opportunity to tackle waste and give real value for money and to improve organisational well being which will help with making Harrow safe, sound and supportive.

Three options for a well-being proposal are outlined with a core element of each option being the strategic “Health at Work Group” to act as a key driver for implementing an effective framework for the management of well-being/ occupational health at Harrow.

Key Recommendations:

1. Recommend that the “Health at Work Group” provide a strategic steer on Occupational Health implementation and management.
Develop a business case for appropriate funding to allow the development of
2. priority occupational health programs, including proactive health promotion linked to corporate objectives.
3. Undertake an occupational health needs analysis.
Conduct an appraisal of services provided by National Britannia / our
4. Employees Assistance Program to determine whether they meet our needs.
This could be incorporated into the re-tender process that will be needed before contact expiry in Sept 2007.
Explore opportunities for forging closer links between internal and external
5. partners to work on identifying sickness/absence and rehabilitation issues and using the appropriate expertise to speed return to work.

Introduction

The workplace has a significant impact on people's health and well-being. Poor management of workplace health can lead to work-related illness and high levels of sickness absence. Apart from the consequences for individual staff, the impact may be felt in terms of both higher costs and impaired service delivery.

There are indications that occupational ill health is a greater cause of distress and loss than occupational injury. For example, the Health and Safety Commission (HSC) estimated that 35 million working days were lost in 2004/05: 7 million to workplace injury and 28 million due to work related ill health. For this reason, the emphasis in managing occupational safety and health is increasingly shifting towards managing health risks.

National Context

The government has demonstrated its intention to highlight occupational health risk management with current programmes such as the *Securing Health Together* (HSC, 2000) a long-term occupational health strategy for England, Scotland and Wales and "Good Health is Good Business". The ethos is one of "whole person health" and emphasis is given to all factors that may improve a person's health

The Government's national strategy includes the following targets:

- A 20% reduction in the incidence of work related ill health
- A 20% reduction in ill health to members of the public caused by work activity
- A 30% reduction in the number of days lost due to work related ill health¹

These targets are to be achieved by 2010 with interim targets.

A major survey of sickness absence trends (EEF, 2006) has demonstrated a clear link between addressing business absence and improving business performance. Tackling sickness absence itself is only one side of the coin. It is far better if the problem is prevented from occurring in the first place.

¹ There is a Government absence target of 7.50 days lost per FTE

Case study: Somerset County Council

The cost of sickness absence was estimated to be £3.7 million in 2001/02. The council initiated an employee Well-being / Quality of working life initiative and the sickness absence levels fell from 10.75 day in 2001/02 to 8.29 days in 2003/04. In monetary terms this represented a saving of approximately £1.9 million.

Source: HSE (2005): RR295 - Case study: Establishing the business case for investing in stress prevention activities and evaluating their impact on sickness absence levels

Research by the Employers' Organisation has shown that in both 2003/04 and 2004/05 that *stress* (22%) was the most important single cause of absence followed by *musculo-skeletal problems*² (13%).

Sickness Absence

The Government's (Best Value) Performance Indicator BV 12 requires that the Council's sickness absence figures (including schools) are calculated to allow monitoring of sickness absence levels in local authorities. Table 1 below shows the BV 12 for Harrow Council over the last four years. Harrow's sickness absence level in 2004/05 was below the median quartile for the London Boroughs. Further information is given in Table 2 (*Appendix 1*).

Table 1: BV 12 – Days lost per FTE

Year	Days lost FTE [BV 12]
2002/2003	9.98
2003/2004	9.84
2004/2005	9.19
2005/2006	10.08

It can be seen from Table 1 that the average days lost per FTE is about 10. Care must be taken when interpreting and drawing conclusions from BV 12 as an audit report in 2005 highlighted two issues relating to the compilation of the Indicator. The Auditors concluded:

"The above weaknesses increase the risk that the Council may be under-reporting sickness absence. As a result, the performance on BVPI 12 could be over-stated" (Morgans *et al*, 2005).

² In this instance Musculo-skeletal problems excludes back problems, but includes problems with arms and legs.

The BTP ERP initiative should provide more accurate information with respect to work related absence, and this will help to identify the key causes of sickness, allowing improved reporting and monitoring.

Costing Sickness Absence

Given the current uncertainties around data collection for sickness absence it is difficult to estimate the true cost of sickness absence. However, for illustrative purposes only Table 3 (*Appendix 2*) demonstrates how a reduction in sickness absence levels from their current level to the Governments target of 7.50 days per FTE might save the Council in excess of £1 million

Investing in health and well-being: What are the key benefits?

The council – Tackling waste and giving real value for money

- Higher employee motivation
- Higher productivity
- Stable workforce
- Healthy workforce

Individuals and their families – Making Harrow safe, sound & supportive

- Improved quality of life
- Better health & well-being
- Increased prosperity

Society - Making Harrow safe, sound & supportive

- Reduced inequalities
- Greater stability of communities
- Increased national & local economic prosperity

Whilst the cost of sickness absence is difficult to quantify, data for the last five years, provided by the insurance team on claims for personal injury³ by employees has shown that to date the Council has paid or set aside a sum in excess of £500,000 with respect to claims.

³ There were 66 employee liability claims for personal injury over the last five years.

How to deliver a reduction in sickness absence

The HSE (2006) suggests that a straightforward approach can be taken to effective management of occupational health and safety to help deliver reductions in sickness absence. It requires:

- Sustained **leadership** from the top of an organisation
- A good **occupational health service** that can deliver a proactive service; playing an active part in preventing both work-related ill health and proactively managing common health problems in order to help employees remain at work.
- **Training and support** for line managers
- Regular, supportive **contact** with those who are absent due to sickness.
- The right **systems and data** to support better absence management.

Whilst Harrow does have some of these vital components in place, there are opportunities to build upon and enhance these significantly. In particular there is real opportunity for a through review of the strategy for managing occupational health, linked to a proactive refocusing of the service.

As a result of occupational health programmes on case management of long-term sickness absence, work-related sickness absence levels in 2005/06 were reduced to 5.6 days per person for police officers and 8.4 days per person for police staff. This realised a saving of £250,000 on 2004/05

Humberside Police

Source: HSE, 2006

Well-being proposal

Harrow's wider health and safety strategy needs to include a core element of occupational health set in context of its broader strategic direction, objectives, measures and core values. A strategic 'Health at Work Group' is envisaged as a key driver for implementing an effective framework for the management of well being / occupational health. Three options for a well-being proposal are detailed in Table 4 below:

Table 4: Options for a corporate well being proposal

	Description
Option 1	Recommend that the <i>Health at Work Group</i> to provide a strategic steer on Occupational Health. The Group will take a lead on reviewing and developing the Occupational Health strategy and help deliver priority programmes linked to corporate objectives.
Option 2	As Option 1. In addition, provide funding up to (£10,000 p.a. for three years) and for the Group to focus on priority programs and health promotion. A target Return on Investment (ROI) of 200% to be achieved within three years, measured as a reduction in days lost per FTE.
Option 3	As Option 1. In addition provide funding up to (£50,000 pa for three years) and for the Group to focus on priority programs and health promotion. A target ROI of 300% to be achieved within three years, measured as a reduction in days lost per FTE.

The benefits for a corporate well-being / occupational health strategy include:

- Establishing an existing disease or onset that can be monitored to demonstrate that illness, etc has not been caused by Harrow
- Applying a prevention approach that stops work related ill health taking hold and encouraging healthy living and contribute to reduced sickness absence
- Occupational health schemes that include rehabilitation of employees and reduces the time off may prove net savings with respect to lost productive time and sick pay
- To monitor effectiveness of safe systems of work such as hearing protection programmes

Appendix 1

Table 2: BV 12 Comparisons with other London Boroughs

Borough	2004/05 BV 12
<i>Harrow</i>	9.19
Hounslow	6.94
Hillingdon	8.36
Ealing	8.71
Brent	7.30
London Boroughs	
Highest Quartile	7.92
Median Quartile	9.01
Lowest Quartile	9.74

Appendix 2: Estimated cost of sickness absence to Harrow Council

Table 3: Estimate cost of sickness absence to Harrow Council based upon total working days/shifts lost

Year	Days lost per FTE [BV 12]	Number of staff FTE	Adjusted absence Days FTE	Average daily pay estimate ¹ , £	Estimated cost absence, £
2003/04 Actual	9.84	4789.06	47,103.33	126	5,935,020
2004/05 Actual	9.19	5,021.13	46,165.22	126	5,816,818
2005/06 Actual	10.08	5,263.48	53,069.95	126	6,686,814
2009/10 Target	7.50	5,260	39,450.00	126(1.025) ⁴	5,486,627

Note: Table 3 above is an estimated cost of sickness absence for the authority for illustrative purposes only. All sickness absence is unlikely to be captured and the data employed above may not be reliable.

¹ The average figure for daily pay was calculated by taking the total pay bill for May 06 less non contractual overtime multiplied by 12 for annual estimate, divided by the FTE number of employees for the annual average pay and divided by number of working days (i.e. 365 minus weekends, annual leave and bank holidays)

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