WALES AUDIT OFFICE

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The management of sickness absence in the National Assembly for Wales

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I have prepared this report for presentation to the National Assembly under the Government of Wales Act 1998. The Wales Audit Office team that assisted me in preparing this report consisted of Gillian Body, Mark Jeffs, Non Jenkins and Matthew Mortlock.
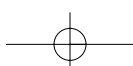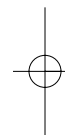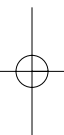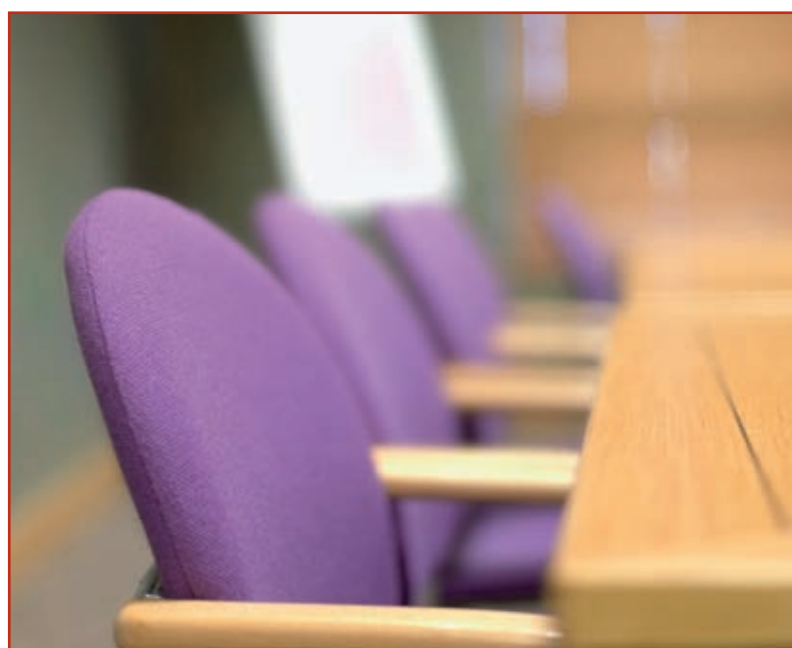
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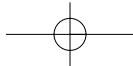
Report presented by the Auditor General for Wales
to the National Assembly on 14 September 2006

Contents

Summary

1   The National Assembly for Wales (National Assembly)[1] currently employs around 6,500 staff, with budgeted staff costs of £222 million.[2] Staff sickness absence can have a significant impact upon the productivity of an organisation and the delivery of business objectives. Although a certain level of sickness absence is inevitable, and there are good reasons why staff should not be in work when they are genuinely unwell, it is important that organisations take steps to minimise the levels of sickness absence where possible.

2   In its vision for improving public services in Wales, set out in *Making the Connections*, the Welsh Assembly Government identifies that a reduction of one day a year of sickness absence per member of staff across the whole of the Welsh public service could be worth around £25 million. The Assembly Government intends to lead by example in its management of sickness absence.

3   This is the third report on public sector sickness absence management by the Auditor General for Wales.[3] It examines whether the National Assembly has effective arrangements in place for managing staff sickness absence. In particular, it considers whether managers in the National Assembly understand the scale of sickness absence across the organisation, and have

robust arrangements to prevent sickness absence and to manage it pro-actively when it occurs. The report concludes that:

■   improved management information shows a marked reduction in the National Assembly's levels of sickness absence; and

■   National Assembly officials have strengthened arrangements for the management of sickness absence and further improvements are planned.

Improved management information shows a marked reduction in the National Assembly's levels of sickness absence

4   In 2005, National Assembly staff reported an average of eight days sickness absence per head. The reduction on the ten days reported for 2004 was helped by a particular reduction in levels of long term and/or psychological related absence. Although improvements in the way sickness absence is recorded and measured mean that the figures for the earlier year are less reliable, the reported reduction in sickness absence is equivalent to additional staff time worth as much as £1.1 million. There is a risk that ongoing organisational change, including the

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1   The Government of Wales Act 1998 established the National Assembly for Wales as a body corporate. Staff working for the National Assembly are currently home civil servants but administratively they either work for the Welsh Assembly Government or the Assembly Parliamentary Service. Sir Jon Shortridge (Permanent Secretary) is Accounting Officer for the Welsh Assembly Government and Mr Paul Silk, Clerk to the Assembly, is Accounting Officer for the Assembly Parliamentary Service. Unless specified, this report therefore treats the two groups of staff, and the management of staff sickness absence, collectively, referring to the organisation as a whole as the National Assembly. The Government of Wales Act 2006 will give legal effect to this administrative split when it takes effect after the May 2007 elections. Staff working for the Assembly Parliamentary Service will become employees of the new National Assembly for Wales Commission and will cease to be civil servants.

2   These figures include staff serving the Welsh Assembly Government and the Assembly Parliamentary Service, but not costs of Assembly Members and their staff. Prior to the Welsh Assembly Government's merger with a number of Assembly Sponsored Public Bodies in April 2006, the National Assembly employed around 5,000 staff.

3   Auditor General for Wales reports, *The Management of Sickness Absence by NHS Trusts in Wales* (January 2004) and *The Management of Sickness Absence in Further Education Institutions in Wales* (May 2005)

Assembly Government's merger with a number of former Assembly Sponsored Public Bodies (ASPBs), may result in higher levels of sickness absence in the future. However, this risk has not materialised in the months immediately following the merger with the figures for April and May 2006 being less than the annual equivalent of six days sickness absence per member of staff.

5   The HR Department has, over the past two years, improved the quality of the sickness absence management information reported on a monthly basis to the Assembly Government's Management Board. In particular, it has improved its validation of the absence and staff headcount data used to generate this information, rectifying previous mistakes made in the process. Although we identified some minor errors in the recording of sickness absence, there was a general perception among managers that this situation had already improved as sickness absence management had been given a greater corporate profile over the previous 12 months.

6   The introduction of a new electronic 'Snowdrop' HR system, which will replace the current paper based system for recording and reporting sickness absence, can be expected to further improve the accuracy and timeliness of absence recording by reducing the number of stages involved in this process. It will also allow the HR Department to improve its analysis of sickness absence trends and to generate figures that better represent the level of absence in relation to contracted working time and other types of leave, notably special leave. Current plans are that the attendance recording element of the system will be made available between October and December 2006.

National Assembly officials have strengthened arrangements for the management of sickness absence and further improvements are planned

7   Senior management at the National Assembly have demonstrated a clear commitment to tackling staff sickness absence. In particular, the HR Department has improved the corporate management policy and procedures in line with generally accepted good practice, including:

- clearly defining roles and responsibilities;

- requiring return to work interviews after all absences, regardless of length; and

- placing greater emphasis on management intervention in response to patterns of absence that cause concern.

8   The new arrangements place a particular emphasis on the role of line managers in the absence management process, backed up by enhanced training and improved HR support. Nevertheless, half of the managers involved in our focus groups did not feel well supported by HR in managing sickness absence. Overall, one in four of these managers still did not feel confident managing sickness absence.

9   The attendance management policy is intended to help managers deal with absence from work in a fair and consistent way. However, we found that core elements of the revised policy and procedures were still not being consistently applied, although there was evidence of improvement over time. For example, we found evidence of return to work interviews for only half of the cases of sickness absence that we examined. We also found that management

intervention in response to patterns of absence that exceeded the 'trigger points' set out in the policy was not always timely or consistent, if it took place at all.

10 As well as improving the policies and procedures for managing sickness absence, spending has increased on corporate health related activities[4] to the equivalent of around £200 per member of staff in 2005/2006, compared with £160 in 2004/2005. This increase has helped the corporate health team to develop its health promotion work and to boost its occupational health capacity. In particular, the recruitment of an occupational health doctor has helped resolve a number of long term sickness absence cases. Senior management have also placed an increasing focus on managing stress amongst staff through occupational health consultations and counselling as well as organisation wide policies, training and initiatives, such as piloting the Health and Safety Executive's Stress Management Standards.

11 The National Assembly's wider HR policies are designed to support staff in achieving a work-life balance. For example, there are relatively generous flexible working and special leave arrangements that allow staff to manage domestic and personal issues. The National Assembly's staff survey shows that, in 2005, 70 per cent of staff who took part in the survey agreed that they were able to strike a balance between their home and work life. This figure compared with 58 per cent of staff in 2002. However, there remain concerns about workloads and a long-hours culture, with just over four in ten staff in the survey saying they were not able to get their work done in their contracted hours.

12 The HR Department faces a particular challenge in developing a consistent approach to sickness absence management within the Assembly Government following the ASPB mergers and the ongoing rollout of its relocation strategy. Most former ASPB staff will operate under the attendance management policies of their predecessor bodies, pending a fuller harmonisation of terms and conditions, and there are some clear differences in the content and detail of these policies compared with that of the National Assembly. The mergers and relocation strategy also mean that the Assembly Government is becoming more geographically dispersed; testing the capacity of central support services. In response, the HR Department has been restructured to reflect the geographical spread and to incorporate former ASPB HR staff. The corporate health team has also established a clearer presence in North Wales, including an occupational health adviser dividing her time equally between Cardiff and North Wales.

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4   The Corporate Health Team includes Health and Safety, Occupational Health and Welfare (now renamed staff support and counselling)

Recommendations

- The National Assembly has already, over the past two years, made good progress in strengthening its arrangements for managing sickness absence. Consequently, none of our recommendations require any radical overhaul of existing procedures, rather they highlight action needed to refine these practices and to manage future risks which might lead to increased sickness absence rates. Where these recommendations refer to the use of the new Snowdrop HR system, the Snowdrop project team has confirmed that measures taken in the development of the system, consistent with the emerging findings from our work, will allow all of these recommendations to be addressed as the system is rolled out.

- With the exception of recommendation vi, these recommendations apply in equal measure to the management of sickness absence in both the Assembly Government and Assembly Parliamentary Service, in advance of and following the legal separation of these parts of the National Assembly from May 2007.

i. Since the start of 2005, the HR Department has improved the quality and reliability of its sickness absence management information. However, its figures still do not take into account the working patterns of staff and, therefore, the amount of time lost to sickness absence in relation to contracted working time; something that is increasingly important given the more flexible working conditions. **In order to build a more accurate picture of absence and its impact on organisational productivity, the HR Department should use the Snowdrop HR system to record and report sickness absence relative to the contracted time lost, and in relation to absence attributed to other types of leave.**

ii. The HR Department has strengthened the corporate policy and procedures for managing staff sickness absence. Whilst these are a significant improvement on the previous arrangements, some aspects would benefit from further clarification. **The HR Department should issue additional guidance to line managers clarifying expectations in respect of:**

a) **documenting return to work interviews;**

b) **the extent of managerial discretion when staff reach trigger points in relation to patterns of absence that cause concern and practical examples of how and when discretion should be applied; and**

c) **how to measure and monitor improvements in attendance following management intervention in response to patterns of absence that cause concern.**

iii. We found that the revised sickness absence policies and procedures were not always being applied in a timely or consistent manner. In particular, delays in the provision of management information meant that interventions in response to frequent short term, and long term absence could have occurred at a much earlier, and more appropriate, time. **The HR Department should use the information provided by the new Snowdrop HR system to:**

a) provide managers with direct access to information on the absence records of their staff, including alerting managers immediately when staff breach trigger points;

b) alert the corporate health team as soon as a member of staff has been absent for more than four weeks or indicates that they may be absent long term;

c) monitor compliance with core policies and procedures, in particular return to work interviewing and management intervention in response to absence trigger points, in conjunction with regular spot-checks by HR.

iv. Many line managers seemed to be unaware of the reduction in sickness absence levels that had been reported across the National Assembly between 2004 and 2005. **In order to raise awareness of the impact of the increased corporate focus on attendance, and to encourage managers to carry out their responsibilities, the HR Department should communicate trends in sickness absence for the whole organisation, as well as for divisions and groups, to all staff.**

v. Limitations in the quality of sickness absence management information available to date mean that the corporate health team has not had access to robust data with which to plan and evaluate services. Some managers were also concerned that not enough support was available from the corporate health team for staff who faced additional pressure to cover the workloads of staff who were absent due to sickness. **The HR Department should use the improved management information available from the new Snowdrop HR system to:**

a) identify and target particular trends in absence, by cause and/or location; and

b) identify teams that may be under particular pressure due to high levels of sickness absence or vacancies and put in place targeted measures to help manage stress, thereby reducing the risk of further illness and absence.

vi. There is a risk that ongoing organisational change across the Assembly Government may increase sickness absence rates and it poses a further challenge to the consistent application of policies and procedures. **In order to manage the risks posed by organisational change, the HR Department should:**

a) separately monitor the attendance rates of staff from former Assembly Sponsored Public Bodies and those affected by relocation;

b) in advance of full harmonisation of HR policies, ensure that all managers from former Assembly Sponsored Public Bodies who have taken responsibility for managing staff employed by the Assembly Government prior to the recent mergers, are fully trained in the National Assembly's attendance management policies and procedures;

c) periodically evaluate whether arrangements for central services that support the attendance management policy – particularly corporate health and human resources – remain fit for purpose as the Assembly Government grows and becomes more geographically dispersed.

Part 1. Improved management information shows a marked reduction in the National Assembly's levels of sickness absence

1.1. Accurate reporting and recording of sickness absence, combined with analysis of sickness absence trends, is important for any organisation looking to manage this issue effectively. This part of the report examines the extent to which managers in the National Assembly for Wales (National Assembly)[5] have a good understanding of the scale and nature of sickness absence, and examines in particular:

■ levels of sickness absence across the National Assembly during 2005 and early 2006; and

■ the quality of the management information on sickness absence that is generated by the HR Department and the extent to which its figures accurately represent the scale of absence.

National Assembly staff reported an average of eight days sickness absence in 2005, compared with ten days in 2004, but ongoing organisational change may lead to higher levels of absence in future

### The National Assembly has reduced its reported sickness absence rate

1.2. In 2005, the National Assembly lost around 35,200 working days through sickness absence, equivalent to an average of eight days per member of staff. This represents a significant reduction on the rate of 9.9 days for 2004, although this earlier figure may be less reliable due to improvements in the way in which the National Assembly records and measures sickness absence (see paragraphs 1.13 to 1.21). The figures also show a steady reduction in sickness absence throughout 2005, largely as a result of falling levels of long term and/or psychological related sickness absence[6] (Figure 1).

1.3. Although there was an upturn in sickness absence levels in early 2006, most notably in March, the absence rate for the first quarter of 2006 was still five per cent lower than in the same quarter of 2005. The levels of absence reported for the enlarged National Assembly following the ASPB mergers on 1 April 2006 also show that this increase was not sustained, with figures for April and May 2006 being below the annual equivalent of six days of absence per member of staff. However, these figures do not differentiate between staff employed prior to 1 April 2006, and those joining as a result of the ASPB mergers.

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6   Levels of psychological related absence have not only reduced in absolute terms, but also as a proportion of the total absence recorded, from a high of 30 per cent in May 2005, to a low of 14 per cent in February 2006

Figure 1. Trends in sickness absence between 1 January 2005 and 30 June 2006[1]
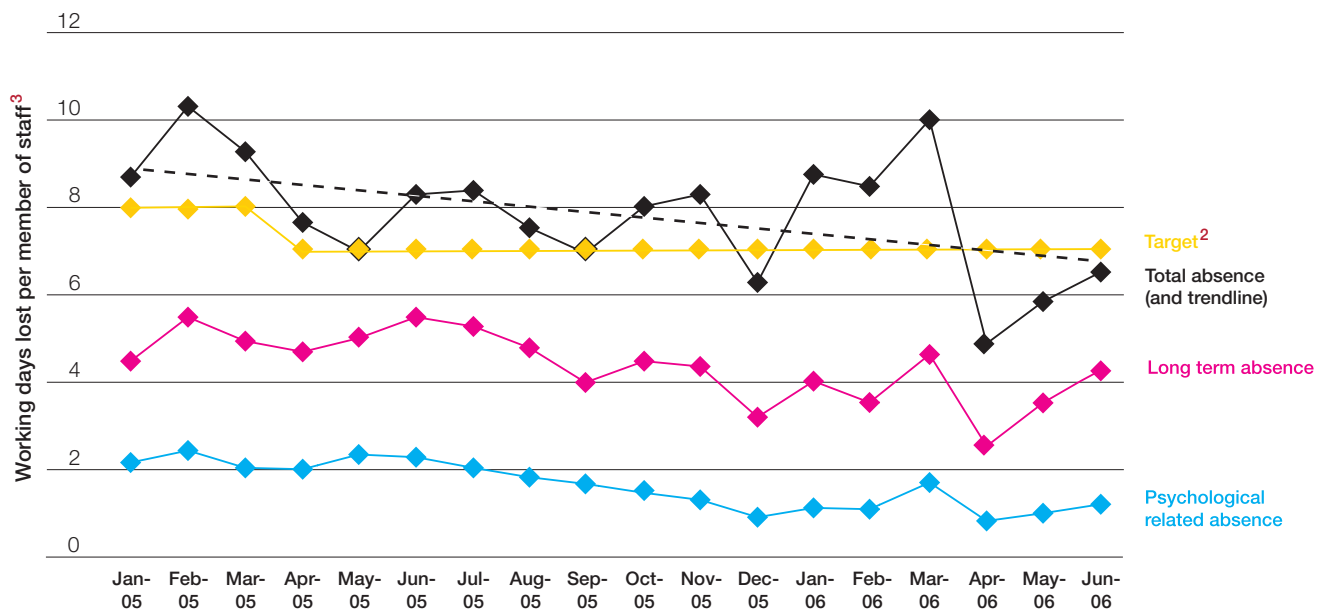
Notes

1   Figures for April, May and June 2006 relate to the enlarged National Assembly following the ASPB mergers on 1 April 2006.

2   In April 2005, the Management Board reduced its sickness absence target – one of the indicators in its balanced scorecard of performance assessment – from eight to seven days annual absence per member of staff.

3   These figures represent an annual indicator by multiplying the actual level of absence per member of staff in each individual month by a factor of 12.

Source: Wales Audit Office analysis of the National Assembly's HR management information reports

1.4.   The reported reduction in sickness absence between 2004 and 2005 is equivalent to an increase in available staff time worth as much as £1.1 million. The reduction will also have reduced the total amount of time required to manage sickness absence cases (although the rollout of new policies and procedures probably means more time is being spent on each individual case of absence). There are also potential savings from the costs of replacement agency staff, overtime and temporary allowances paid to staff taking on additional responsibilities, which together amounted to almost £11 million in 2005/2006. However, the HR Department does not collate any information with which to estimate the proportion of this expenditure attributable to covering staff who were on sick leave.

It is difficult reliably to compare sickness absence rates between National Assembly departments, or with other organisations

1.5.   There are some substantial differences in the levels of sickness absence reported by specific groups of staff (Figure 2). The type of work undertaken by different departments, and the grade and demographic mix of their employees are likely to impact on the levels of sickness absence reported. However, the current structure of the HR management information means that it has not been practical to explore systematically the extent to which these factors explain the differences shown.

1.6. We met the management of Care Standards Inspectorate Wales (CSIW), the group of staff with the highest reported levels of sickness absence, in December 2005. They explained that there were some underlying issues that contributed to their levels of absence, although they were actively managing the situation and, with occupational health support, had recently resolved a number of long term cases. In particular:

■ they had inherited a high levels of sickness absence among staff joining from local government and the former health authorities when CSIW was created;

■ the age profile of the organisation tended towards older, more experienced staff; and

■ resolving long term absence cases was more difficult because a phased return to work on limited hours was difficult to accommodate around fixed inspection timetables and, due to the specialist nature of the role, there was limited scope for redeployment to other roles.

Figure 2. Sickness absence levels across the National Assembly in 2005

Average days lost per member of staff
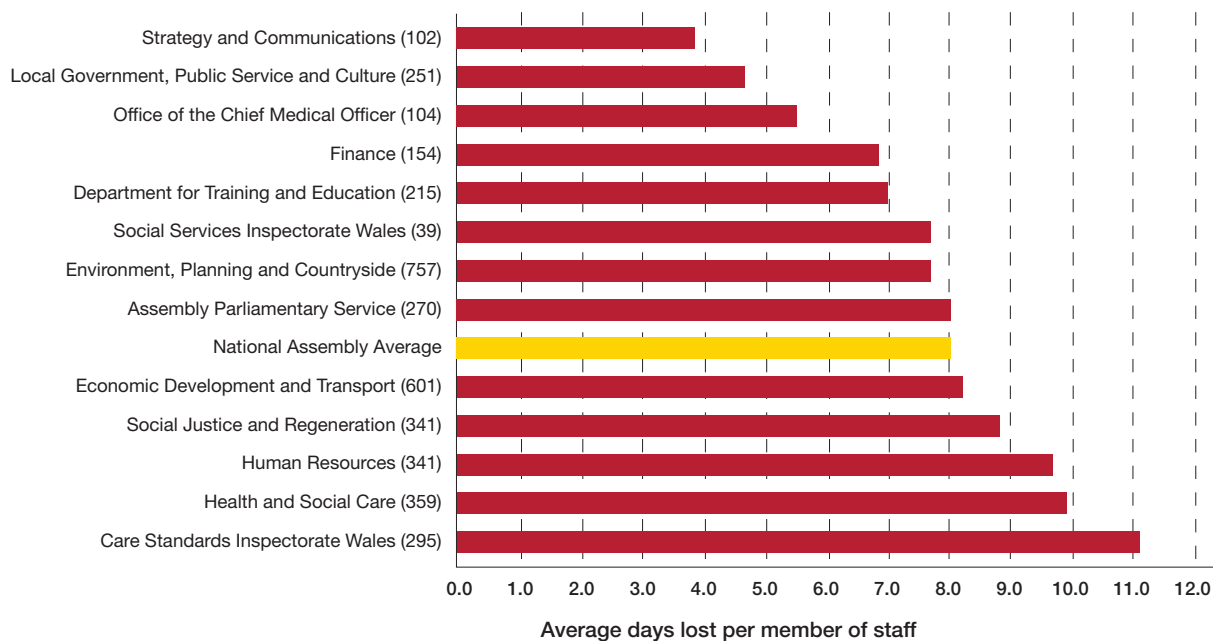
Note

These figures are based on the National Assembly's departmental structures prior to April 2006 and only include departments reported under substantially the same headings throughout 2005. Figures in brackets beside the department names indicate the average number of staff employed throughout the year.

Source: Wales Audit Office analysis of the National Assembly's HR management information reports

1.7. Sickness absence was also presenting particular operational challenges for some smaller teams which are not identified in Figure 2. For example, figures provided by the Assembly Parliamentary Service showed that its 42 security staff comprised 16 per cent of its workforce but accounted for half of the total sickness absence reported in 2005. In order to provide an appropriate level of security cover, any absence within this group results in additional staff replacement costs.

1.8. Appendix 2 compares the National Assembly's sickness absence rates with other organisations but these comparisons again have to take account not only of the different staffing profiles of different organisations, but also different methodologies used to calculate sickness absence rates. Figures produced by the Cabinet Office show that the National Assembly was very slightly below the UK civil service average for 2004 but updated information against which to compare 2005 figures is not yet available. Despite the different methodology used by the Cabinet Office, we would expect to see its report show a similar reduction in the level of sickness absence reported for the National Assembly in 2005. However, it remains to be seen whether this reflects a general downwards trend in the levels of sickness absence across the civil service as a whole.

There is a risk that ongoing organisational change will result in higher levels of sickness absence

1.9. Over the past two years the National Assembly has undergone significant organisational change, most notably as a result of:

■ the Assembly Government's recent merger with a number of former Assembly Sponsored Public Bodies;

■ the development and rollout of the Assembly Government's relocation strategy; and

■ transformation of its business processes through the use of information and communication technology.[7]

1.10. Against this backdrop, the reported reduction in the National Assembly's levels of stress related sickness absence is particularly encouraging, as organisational change and uncertainty are recognised as a potential contributor to higher levels of absence.[8] The National Assembly's own staff attitude survey, conducted between December 2005 and January 2006, suggests that job satisfaction had not been unduly affected by these changes. Overall, 71 per cent of staff who took part in the survey agreed that, taking everything into account, they were satisfied with the National Assembly as a place to work. This represented an increase from 59 per cent in 2003 and 69 per cent in 2004.

1.11. One Head of Division told us that impending relocation had caused difficulties with recruitment and retention, which impacted on staff workloads. Whilst this was not currently manifesting itself in higher absence rates, there was concern that it might do in future. However, another senior manager told us that initial concerns about relocation among their staff had subsided once the full details became known, and that this had actually resulted in an increasing number of applications for internal vacancies in their area of responsibility.

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7   Auditor General for Wales report, *The Merlin Contract – Enabling the National Assembly to change its business processes through ICT*, March 2006.

8   A research paper by the National Audit Office, the Institute for Employment Studies, and the Institute of Work Psychology, *Current Thinking on Managing Attendance: A Short Guide for HR Professionals*, December 2004.
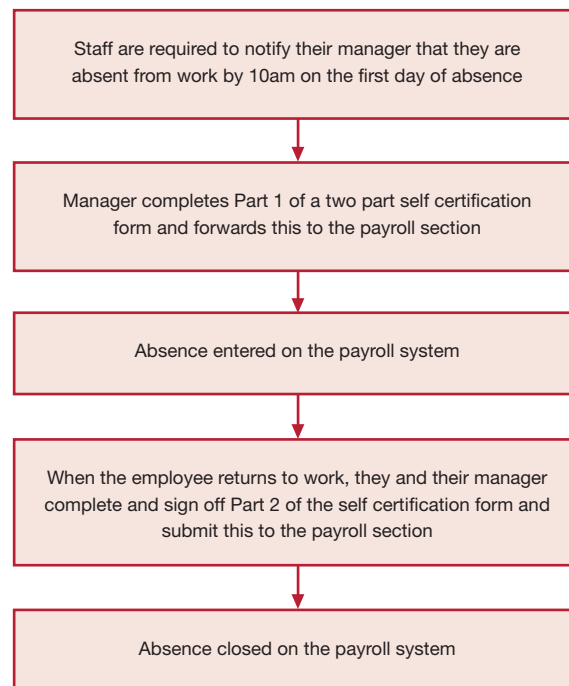
1.12. HR staff from the Welsh Development Agency, Wales Tourist Board and Education and Learning Wales commented that, prior to their merger with the Assembly Government, there had been an effective freeze on recruitment in some areas. This had placed additional pressure on remaining staff to 'get the job done'. Nevertheless, the available data did not suggest that these organisations experienced any particular increase in sickness absence levels during 2005, or that the Assembly Government inherited any higher levels of sickness absence than reported for its own staff.[9]

The HR Department has improved the quality of its sickness absence management information and the development of a new electronic HR system can be expected to support further progress

Specific action over the past two years has addressed some of the previous weaknesses in management information

1.13. Levels of sickness absence across the National Assembly have, to date, been calculated from information held on its payroll system. This information has, historically, been drawn from paper self-certification forms submitted by managers (Figure 3). Organisation-wide figures are produced on a monthly basis by the HR Business Unit and reported to the Assembly Government's Management Board as part of a wider HR management information report.

Figure 3. Basic procedures for reporting and recording sickness absence

Staff are required to notify their manager that they are absent from work by 10am on the first day of absence

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Manager completes Part 1 of a two part self certification form and forwards this to the payroll section

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Absence entered on the payroll system

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When the employee returns to work, they and their manager complete and sign off Part 2 of the self certification form and submit this to the payroll section

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Absence closed on the payroll system

Notes

Some line managers involved in our focus groups indicated that if they thought the member of staff was likely to only be absent from work for a short time, then they would submit Part 1 and 2 of the self certification form simultaneously on their return to work.

Source: National Assembly for Wales' attendance management policy

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9   Direct comparison of the levels of sickness absence in the merging ASPBs with those of the Assembly Government is complicated by differences in the methodologies used to calculate these figures and we did not examine the robustness of the ASPBs' own recording and measurement of sickness absence.

1.14. There was a widespread view among the line managers involved in our focus groups that absence recording had improved as sickness absence management was given a greater profile and corporate priority within the National Assembly. Nonetheless, one third of the managers involved did not feel confident that all sickness absence for their own staff was accurately represented on the central payroll system.

1.15. Our own examination of staff sickness absence records (Appendix 1) identified evidence of errors in recording for eleven of 98 staff, based on 283 separate cases of absence between November 2004 and September 2005. These errors amounted to a total of 20 days of sickness absence that was not recorded on the payroll system, which would have added only one per cent to the total number of days lost for the same group of staff. A similar level of error across the organisation would imply an additional 0.1 days absence per member of staff each year. The type of errors identified included:

■ evidence of a return to work discussion but no evidence of any self-certification forms or logging of the absence on the payroll record; and

■ absences recorded on local databases maintained by some managers that were not shown on the central payroll record.

1.16. As in any organisation, it is also likely that some absence simply goes unrecorded in any form. Many of the managers that we spoke with recognised that there were circumstances when they may not know whether staff were off sick or not. This was either because the managers themselves were away from the workplace or, in some instances, staff and managers were working in different locations. It was also clear that, in many cases, there was no clear contingency arrangement in place for recording sickness absence where staff were unable to contact their own line manager. However individual members of staff clearly have a personal responsibility to ensure that their sickness absence is appropriately recorded.

1.17. Prompt recording of sickness absence is also important to ensure that the sickness absence figures reported each month are accurate. Late submission of the Part 1 and Part 2 forms could result in absences not being represented at all in the monthly figures, which are generally not subsequently updated. Alternatively, late submission of the Part 2 form, could result in staff being recorded as absent through to the end of the month, even if they have already returned to work. Staff from the HR Business Unit, explained that action had been taken to address these issues by:

■ delaying the download of absence records from the payroll system: this now takes place around a week after the end of the month to which the figures relate to allow more time for late forms to be inputted; and

■ undertaking a more rigorous review of a list of staff shown as being off sick for the whole of the previous month to check that they have not already returned to work.

1.18. The HR Business Team has also invested considerable time and effort over the past eighteen months to ensure that the method of calculation used each month provides a more consistent and meaningful analysis of the levels of absence across the organisation. It has also appointed a statistician to the team to provide greater technical expertise in the generation of this information. Particular changes to the methodology have involved:

■ ensuring that the figures reported are now based on working days lost, not calendar days (during 2004, the figures reported were based on calendar days lost, including weekends, replicating the format of this information on the payroll system);

■ excluding staff on career breaks, maternity leave or people seconded out to other organisations from the headcount and absence figures; and

■ changing the way that sickness absence is recorded for staff who are granted ill health retirement (once ill health retirement is formally approved, these staff are excluded from the absence and headcount figures).

1.19. Despite these measures, we identified some anomalies in the figures reported for some months. For example, figures recently reported for January to March 2005 included the absence of staff from the Assembly Parliamentary Service, but had excluded these staff from the headcount. This error resulted in an annualised monthly average of 10.1 days of absence per member of staff being reported for this period, compared with a corrected figure of 9.4 days.

1.20. The HR Department's sickness absence figures are based on the total working days of absence divided by the staff headcount. This results in a lower headline rate of absence than if divided by the numbers of whole time equivalent staff, which would add around a third of a day to the rate of eight days reported for 2005. However, the way in which sickness absence is recorded does not take account of the increasingly flexible working patterns of staff. This omission can result in working days being recorded as sickness absence even though the working

pattern of the individual might have meant that they were not expected to be in work on that day.

1.21. The HR Department's approach to calculating its sickness absence figures also means that not all contracted time lost is recorded as absence. For example, because of rules on occupational sick pay, absences of less than a full day (where staff are in work beyond 11am) are counted as zero days on the payroll system, assuming they are even reported by managers. Although this is unlikely to have a significant impact on the overall figures, it means that patterns of half day absences may go unchecked. Where staff return to work on a phased basis following a period of absence, a strategy increasingly being used to resolve longer term absence cases, the HR Department does not include in its figures the contracted time that is not worked by these staff during this phased return period. However, HR staff told us that these phased returns can often continue well beyond the timescales initially intended.

Introduction of a new electronic Snowdrop HR system will change the way that sickness absence is recorded by managers and facilitate improved analysis of trends in absence

1.22. The HR Department is in the process of introducing a new electronic Snowdrop HR system which will vastly improve its ability to report, monitor and plan on the basis of reliable HR management information. This system will, in future, provide direct access for managers to record and monitor the attendance of their staff.[10] This electronic reporting should further improve the accuracy, and timeliness, of sickness absence recording compared with the current system involving the transfer of paperwork

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10 The HR team in the Assembly Parliamentary Service has already been using the Snowdrop HR system to record sickness absence and generate management information, but this has not included direct input of absence records by individual managers.

between departments, which is prone to administrative errors. However, an electronic system is still reliant on managers being fully aware of when staff are absent from work and recording this promptly and accurately.

1.23. By bringing all HR management information together in one place, the introduction of the Snowdrop HR system is expected also to facilitate further improvements in the analysis of sickness absence trends. For example, the system is expected to make it easier to conduct demographic analysis of absence trends, to monitor the levels of absence across different days of the week, and to examine, in detail, the causes of absence across different groups of staff. To date, generation of sickness absence figures from the payroll system has been extremely resource intensive which has limited the breadth of analysis undertaken. These improvements will be particularly important given the increased size and spread of the Assembly Goverment workforce from 1 April 2006, following the ASPB mergers. The new system is intended also to enable the HR Department to calculate more accurately the levels of absence in relation to contracted working time (paragraphs 1.20 to 1.21), although to take full account of its flexi-time provisions would probably require a more formal time recording component to be built in.

1.24. To the frustration of many of the senior managers that we interviewed, and the line managers involved in our focus groups, there have been significant delays in the delivery of this system, a process which started more than six years ago. However, significant progress has been made since March 2005 following the appointment of a new project manager and a realignment of skills within the project team with the technical requirements of the system. Although originally scheduled for December 2005, following a review of the project plan in April 2005, full

implementation of the self-service element of the system for recording attendance will be rolled out across the National Assembly between October and December 2006. These ongoing delays have been largely due to the complexities of delivering the system in the context of the ASPB mergers. As an interim solution, from the beginning of July 2006, the HR Department has introduced a new electronic sickness absence reporting form to replace the existing paper based system (paragraph 1.13).

Part 2. National Assembly officials have strengthened arrangements for the management of sickness absence and further improvements are planned

2.1. There is a broad consensus among HR practitioners about the action that organisations can take to prevent sickness absence and to manage it pro-actively when it occurs. This part of the report shows evidence of improvement in the arrangements for managing sickness absence in the National Assembly but identifies scope for further work, focusing on three areas:

- policies and procedures for managing sickness absence;

- corporate health activities; and

- cultural and organisational developments (flexible working, the ASPB mergers and the relocation strategy).

The HR Department has improved the corporate policy and procedures for managing sickness absence, although key elements are not yet being consistently applied

2.2. In July 2004 the HR Department revised the National Assembly's managing attendance policy. The aim of the policy is articulated as being, "to assist employees and line managers to deal with absence from work in a fair, consistent and non-discriminatory manner and to help maximise attendance at work". In developing this policy, the HR Director explained that his department drew on good practice taken from its examination of policies in a range of other public and private sector organisations. We considered the extent to which the policy and procedures for managing sickness absence:

a) have strategic importance through senior management buy-in;

b) set out clearly defined roles and responsibilities;

c) are supported by appropriate training of staff and managers;

d) make available specialist advice and support from HR; and

e) are implemented in a consistent and timely manner.

Senior management's clear commitment

2.3. Senior management play an important role in demonstrating the extent to which managing sickness absence is an organisational priority. In this regard, the Permanent Secretary has expressed his personal commitment to tackling both the levels and causes of sickness absence, through messages reported in the media and in internal publications. Monthly monitoring of sickness absence trends by the Assembly Government's Management Board (paragraph 1.13) also results in senior managers being directly challenged by the Permanent Secretary on the action that they are taking to reduce sickness absence levels.

2.4. The senior managers that we interviewed were clearly aware of the increasing corporate attention being paid to sickness absence levels. Those representing some of the larger divisions across the organisation had also instigated local processes to monitor overall trends in sickness absence and to review the management of individual cases (Case Study A). The corporate importance placed on sickness absence management was also widely recognised by line managers. Of those involved in our focus groups, 87 per cent agreed that sickness absence management was regarded as an important issue across the National Assembly.

Case Study A. Sickness absence monitoring in the Rural Payments Division

The Rural Payments Division employed around ten per cent of the National Assembly workforce prior to 1 April 2006, spread across five main locations and additional satellite offices. The Division conducts its own monthly analysis of sickness absence levels for different staff groups and locations. It also tracks the numbers of staff exhibiting patterns of absence that should trigger management intervention as required by the attendance management policy.

These figures, and the action being taken in response, are discussed at the Division's monthly management meetings. The former Head of Division, who recently moved on to another role in the organisation, also held regular meetings with human resources and occupational health staff to discuss difficult cases.

Source: Wales Audit Office interviews with National Assembly senior managers

Clarity of roles and responsibilities for managing sickness absence

2.5. The revised attendance management policy sets out clearly the roles and responsibilities of staff, line managers, and the human resources department. It also draws attention to the support available from the corporate health team, in particular the occupational health service. The policy has been designed to emphasise the role that line managers should play in managing sickness absence. This reflects an increased focus across the National Assembly on all aspects of managers' people management responsibilities.

2.6. The senior managers that we interviewed supported the emphasis placed on the role and responsibilities of line managers, and some noted that this represented a clear change in the culture of the organisation. Most of the line managers involved in our focus groups also accepted the importance of their role in managing sickness absence. However, some were concerned that little allowance had been made for the time required to carry out the full range of their people management functions. Consequently, these activities may continue to be given lower priority than the delivery of managers' personal work programmes.

Training for sickness absence management

2.7. The HR Department has, over the past two years, rolled out a programme of 'Confident Manager' training across the National Assembly, which includes coverage of responsibilities for attendance management. The course was attended by 1,935 staff between September 2004 and January 2006 and, although not all of these staff had direct line management responsibilities at the time, the HR Department estimates that 96 per cent of line managers have now had this training. A separate half day course

on attendance management is also available on a voluntary basis and this was attended by 588 staff between April 2004 and January 2006.

2.8. Despite the provision of this training, around a quarter of the line managers involved in our focus groups did not feel confident handling sickness absence and around half did not feel that they had been well trained in sickness absence management (a few of those involved in the focus groups had still not received any training). Specific issues raised were:

■ the importance of refresher training as many managers indicated that the sickness records of their staff had not yet required them to implement the more formal stages of the attendance management policy; and

■ whether, because the additional half day attendance management course was voluntary, this may have attracted those who were already pro-actively managing sickness absence, rather than those who had a greater need for training.

Support from the human resources department

2.9. The introduction of the revised policy in July 2004 coincided with a wider restructuring of HR support within the Assembly Government. This included the establishment of professional HR adviser teams working alongside departments to gain a better understanding of their business, and providing a clear point of advice and support in the implementation of all HR policies and procedures.[11] In relation to the management of sickness absence, the policy describes the responsibilities of the HR department as:

a) providing support to line managers;

b) advising on the detail of the policy, particularly around disciplinary procedures;

c) providing training; and

d) facilitating links with occupational health and welfare.

2.10. Most of the senior managers that we interviewed spoke positively about the contribution being made by the new HR adviser teams. Line managers also recognised a clear improvement in the quality and availability of HR support, although only 57 per cent felt well supported by HR in managing absence and almost one in five indicated that they still did not know when to involve HR in managing an absence case. Line managers also noted that the HR adviser teams had been heavily involved in internal and external recruitment processes since their introduction, a concern echoed by the HR advisers themselves, leaving them with less time to provide support on sickness absence management issues. These pressures subsided in the second half of 2005/2006 in advance of the ASPB mergers, although the mergers have themselves placed an additional workload on the Assembly Government's HR staff.

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11 The Assembly Parliamentary Service already had its own dedicated HR department prior to this reorganisation.

Consistency of application

Return to work discussions

2.11. In line with good practice, the revised attendance management policy introduced a requirement for line managers to carry out a return to work discussion with staff following any period of sickness absence (Figure 4). Although most of the line managers involved in our focus groups claimed that they were carrying these discussions out in all cases, around one in seven said they were not doing so. Some managers who were rigorously undertaking and documenting return to work discussions felt strongly that this was undermining their efforts to promote consistency and fairness of treatment. The three main reasons provided for why these discussions did not always take place were:

■ a conscious decision based on the line manager's confidence in the employee and the likelihood that the absence was genuine;

■ a view that return to work interviews for short absences were unnecessary and burdensome; and

■ problems for some managers caused by the fact that they and their staff work in different locations, although some managers explained that they had made a point of undertaking these discussions over the phone.

2.12. It was also clear that managers had different interpretations about how formal the return to work interviews should be and the extent to which they should be documented, with concerns raised about data protection issues. Although the revised policy does not explicitly require it, HR advise managers that they should keep records of these discussions, which could be important should an individual's sickness absence record deteriorate leading to more

Figure 4: Return to work discussions

Description	Involves line manager holding interviews with staff on the day they return to work after every period of sickness. Purpose is to welcome individual back, check they are recovered, review absence record and provide opportunity to discuss any underlying problems contributing to absence.
Comment on effectiveness	Recognised as the most powerful tool in managing absence. Gives the opportunity to show individual they were missed. To be effective must be handled sympathetically and requires managers to be trained.

Note
The National Assembly's policy also explains that the discussion provides an opportunity to update staff on any operational issues arising during their absence.

Source: A research paper by the National Audit Office, the Institute for Employment Studies, and the Institute of Work Psychology, Current Thinking on Managing Attendance: A Short Guide for HR Professionals*, December 2004.*

formal action. Although a template form for recording these discussions is available, some managers seemed to be unaware of this.

2.13. From our sample of sickness absence records, we found documented evidence of return to work discussions for exactly half of all cases of absence.[12] However, recording of these discussions had clearly increased over time (Figure 5) and was also more likely the longer the absence: we found evidence of return to work interviews for only 40 per cent of one day absences, rising to 70 per cent for absences of more than five working days. This reflects the views of some managers who questioned the need for more formal return to work discussions following short absences (paragraph 2.11).

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12 In some cases these records were simply notes of a discussion in a diary entry.

Figure 5. Percentage of absences with evidence of a documented return to work discussion, November 2004 to September 2005
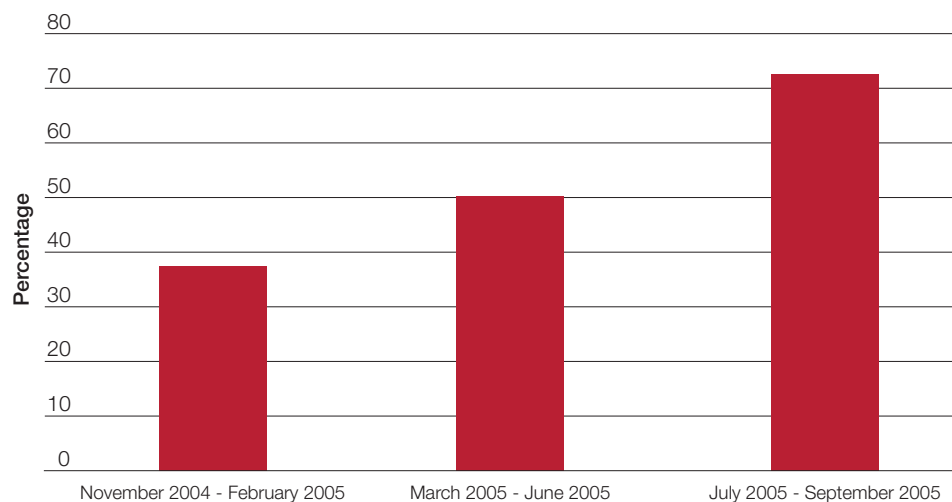
Note

This analysis is based on a total of 283 separate cases of sickness absence across this period among 98 different members of staff.

Source: Wales Audit Office examination of staff sickness records

Intervention in response to patterns of absence that cause concern

2.14. Good practice suggests that organisations should adopt clear trigger points defining the patterns of absence that may result in additional management intervention (Figure 6). The revised attendance management policy tightened these thresholds (Figure 7), but HR staff and managers recognised that the real change had been the emphasis on identifying when these have been reached, and clearer guidance for managers on the steps to take in these circumstances. Based on data held on the payroll system as at December 2005, a total of 749 staff had reached at least one of the three trigger points for absence based on their absence record over the previous 12 months. This was equivalent to around one in six of the substantive workforce (excluding agency staff and others on career break, maternity leave or secondees).

Figure 6: Trigger points for management intervention on sickness absence

Description	Defined level of absence at which a personal absence review becomes essential and possible disciplinary action considered.
Comment on effectiveness	Regarded as one of the most effective tools in managing absence. Provides a common understanding within an organisation of the level of absence that is unacceptable. Trigger points need to be used with discretion and take into account individual circumstances. Danger that they can be used too rigidly and unreasonably. Effective use depends on managerial training and confidence.

Source: A research paper by the National Audit Office, the Institute for Employment Studies, and the Institute of Work Psychology, Current Thinking on Managing Attendance: A Short Guide for HR Professionals, December 2004.

Figure 7. Changes to the attendance management policy trigger points for sickness absence

Previous Policy	Revised Policy
21 days or more in a 12 month period – this includes absence covered by a medical certificate	21 days or more in a 12 month period – this includes absence covered by a medical certificate
14 days or more self-certificated per year for the last 3 years	No equivalent trigger
14 days or more self-certificated in any 12 month period	5 separate spells in 12 months; or 10 days or more self certificated in previous 12 months
Where absences are seen to follow a pattern	Where the pattern of absence is otherwise a cause for concern

Source: National Assembly for Wales' attendance management policies

2.15. The attendance management policy states that, "after a trigger point has been reached, the line manager will hold an Informal Managing Attendance Interview with the individual about their pattern of absence". Following this discussion, managers are required to monitor the individual's attendance for three months. If there is no improvement, they can move to more formal procedures if appropriate. Our examination of sickness absence records found evidence of some management intervention for just half of the cases in our sample that might have warranted attention between November 2004 and September 2005. This intervention took the form of either an informal 'managing attendance interview' or referral to the occupational health service.

2.16. It was clear from our examination of sickness absence records and focus groups that many line managers did not maintain any local records relating to staff sickness absence. Managers also noted that records of sickness absence or action that may have been taken are not typically passed on when line management responsibilities change as a result of internal staff turnover. This lack of information limits

managers' capacity to identify if an absence trigger point has been reached, making them reliant on trigger point reports generated from the payroll system. These reports are distributed to senior managers every two to three months by the HR department[13] but by the time they reach individual line managers, several months may have passed since the absence that caused the breach of the trigger point (Case Study B). Furthermore, the intermittent nature of these reports inevitably means that not all breaches of trigger points are identified. We also found that:

■ consecutive days of absence were, in some instances, recorded as separate periods of absence on the payroll system, meaning that staff may incorrectly be highlighted as having reached the trigger of five absences in 12 months; and

■ the reports produced from the payroll system are based on calendar days of absence, and yet some of the managers we spoke with had independently interpreted the trigger points as being based on working days. The policy does not make clear which method should be used.

13 HR staff in the Assembly Parliamentary Service discuss similar reports with senior managers on a monthly basis, drawing on reports run from the Snowdrop HR system.

Case Study B. Delays in management intervention in response to trigger points for absence

A member of staff reported ten separate cases of short term absence between February 2004 and January 2005 inclusive. The manager concerned undertook an informal managing attendance interview in April 2005, three months after the most recent period of sickness absence, during which the manager determined that no further action was required as the member of staff had not reported any sickness absence in the intervening period.

Source: Wales Audit Office analysis of staff sickness absence records

2.17. There was some confusion among the line managers who took part in our focus groups as regards the discretion they were able to exercise once their staff had reached a trigger point. Managers were particularly concerned about whether it was appropriate that medically certified, longer term, absences should contribute to an individuals' sickness absence record in respect of these trigger points, or whether these cases would be better dealt with under the separate processes for managing long term absence. This is a particular issue in relation to the trigger of 21 days self-certified or medically certified absence in the previous 12 months (Case Study C).

Case Study C. Example of a case of long term sickness absence that resulted in an employee reaching the trigger points for management intervention

One member of staff had been off work for over three months due to stress and, following their return to work, their line manager had undertaken an informal 'managing attendance' interview, warning that if their absence record did not improve then this might lead to more formal action. This action may have complied with the wording of the attendance management policy, but it is doubtful whether this is the most appropriate message to give to staff returning from long term stress-related sickness absence.

Source: Wales Audit Office analysis of staff sickness absence records

2.18. Although line managers are required to monitor the attendance record of staff for improvement for three months following an informal managing attendance interview, the policy does not make clear how this improvement should be measured and we found evidence of managers adopting different approaches.[14] Where there are delays in conducting these interviews (paragraph 2.16), it is also unclear whether the three month monitoring period should commence after the interview, or following the conclusion of the period of absence that resulted in a trigger point being reached. It was also apparent that, in many cases, managers were opting to extend the informal period of monitoring rather than proceeding to formal procedures.[15]

14 Line managers expressed similar uncertainties about how the attendance records of new recruits should be judged during their six-monthly probationary periods.

15 The HR Department does not collate any information on the number of formal warnings issued to staff under the attendance management policy and managers can, in theory, issue these warnings without reference to the HR division. HR advisors indicated that they were aware of only 11 warnings having been issued in 2005.

2.19. Some managers who participated in our focus groups felt inhibited in applying the policy and procedures for fear of being seen to be treating staff unfairly, and complained that not enough had been done to explain to staff the purpose of the policy. Overall, one quarter of the managers in our focus groups felt that their staff did not understand the requirements of the policy. Although the HR Department did publicise the policy at the time of its launch, and it is available via the intranet, the policy also makes it clear that it is the responsibility of line managers to ensure that staff are aware of and understand it.

Strengthened corporate health activities are helping address the causes and incidence of sickness absence across the National Assembly

The expanded corporate health team is taking a more pro-active role in sickness absence management and has broadened its health promotion work

2.20. The HR Department has recently restructured its health and safety, occupational health and welfare (recently renamed 'staff support and counselling') staff under the single banner of its corporate health team. In 2005/2006, the National Assembly spent £862,000 on its corporate health activities, equivalent to around £200 per member of staff. This represented an increase from £656,000, or £160 per member of staff, in 2004/2005. As part of this increase, the corporate health team has boosted its occupational health capacity by: recruiting its own full time occupational health doctor;[16] providing sessional access to an occupational health doctor in North Wales; and increasing the number of occupational health advisers to four (one of whom works part-time in the Assembly Parliamentary Service).

2.21. In addition to its responsibilities in support of the attendance management policy, the corporate health team has taken the lead role in wider health promotion work across the National Assembly. This has included the development of policies on issues such as nutrition and the promotion of physical exercise, and a wide variety of bespoke initiatives, including lifestyle screening. These activities, examples of which are summarised in Appendix 3, were recognised in March 2005 with a gold award in the assessment for the Health Challenge Wales *Corporate Health Standard*.[17] The corporate health team has also been responsible for improving the management of health and safety risks in response to a report by the Health and Safety Executive in 2002.

2.22. The HR Department recognises that it needs to evaluate the impact of its corporate health work, and has recently commissioned an independent audit of these activities. In future, the improved quality of the workforce information generated by the Snowdrop HR system should also support the delivery of this work. For example, by facilitating more detailed analysis of the causes of sickness absence across different staff groups, the corporate health team should be able to focus even greater attention on particular problem issues or areas, and more clearly measure the impact of its interventions.

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16 The occupational health doctor was initially employed on a part time basis from December 2004 but became full time in September 2005.

17 At the time of this award, gold was the highest standard achievable, although part of the assessment included recognition of policies, such as an alcohol at work policy, that has still not been formally ratified. The criteria for the Corporate Health Standard have since been updated and include a new 'Platinum' award designed to recognise aspects of corporate social responsibility, such as sustainable transport policies and community engagement.

The new occupational health doctor has helped resolve a number of long term sickness absence cases

2.23. The occupational health and welfare teams are made aware of long term sickness absence cases by the HR department using figures produced each month from the payroll system. Delays in the generation of this information mean that staff could have been absent for up to two months before the HR or occupational health teams became aware of their absence. Nevertheless, the new occupational health doctor has, drawing on support from the rest of the corporate health team, focused particular attention on the prompt resolution of a significant number of long term sickness absence cases. This investment has been clearly reflected in the reduction in the levels of long term sickness absence reported during 2005 (paragraph 1.2).

2.24. We invited feedback from 20 staff who had recently returned to work after a long term period of sickness absence (Appendix 1). Most of these staff highlighted the important role that occupational health staff had played in expediting their return to work, although a range of other factors were also mentioned (Figure 8). Nonetheless, almost half of the managers in our focus groups still did not feel well supported by occupational health in managing sickness absence, although some had limited recent experience of the service. Particular concerns were expressed around the planning of return to work programmes and a view that managers could be better engaged in partnership with occupational health. Some managers were also concerned that, although support was available from occupational health for staff who were off sick, less attention was paid to supporting colleagues who often face additional pressure to cover the extra workload. However, individual managers also have a personal responsibility to ensure that staff are supported in such circumstances.

Figure 8. Key factors influencing the return to work of staff on long term sickness absence

- ongoing occupational health support during return to work;

- strong support from line managers and colleagues;

- phased return: reduced hours for the first few weeks;

- the potential for home-working;

- changes to workloads in response to particular health conditions; and

- dedicated car parking at the workplace.

Source: Wales Audit Office analysis of feedback from staff returning to work after long term sickness absence

Senior management are placing a particular emphasis on addressing psychological-related illness

2.25. As in many organisations, psychological issues (including stress) are the cause of a significant proportion of the total sickness absence reported across the National Assembly. However, throughout 2005, the National Assembly has successfully reduced the absolute and proportionate total time lost to psychological illness (paragraph 1.2). These figures do not distinguish between work or non-work related causes of psychological absence but our review of staff sickness absence records highlighted several examples of staff who had returned to work after long periods of absence due to stress related to strained working relations with their managers or colleagues.

2.26. The corporate health team has, in the context of its wider work, taken particular steps to address the problem of workplace stress (Appendix 3), and to provide general support for staff who may be faced with challenging circumstances in their personal lives. This includes access to up to four free independent counselling sessions arranged through the occupational health and welfare teams.[18] Occupational health staff dealt with 120 consultations in connection with work-related stress in 2005, although some of these may have been multiple consultations relating to the same case and did not necessarily result in any sickness absence.

2.27. The Management Board has introduced an occupational stress policy and senior managers are required to attend stress management training. The National Assembly is also one of 100 organisations nationwide that is working with the Health and Safety Executive to assess itself against their *Stress Management Standards*. As part of this initiative, the HR Department issued a stress survey in April 2006, the results from which are being followed up in staff focus groups with the aim of developing a corporate action plan. This will be followed up by a repeat survey in 2007 to measure the extent of any improvement.

Cultural and organisational developments present further challenges for the management of sickness absence

HR policies to support staff in achieving a work-life balance

2.28. Human resource policies that help staff to achieve a reasonable balance between their work and home lives are widely recognised to have a positive impact on sickness absence levels. The National Assembly operates a full flexi-time policy, based around core hours from 10am to 12pm and 2pm to 3pm. Broader flexible working policies also allow staff to apply to adjust their working patterns to suit their personal circumstance, for example, term-time working to fit in with childrens' schooling, and there are a range of additional entitlements to paid or unpaid leave (Appendix 4). The HR Department is also considering implementing a policy whereby staff can work their full contracted hours over a four rather than a five day week.

2.29. Despite these provisions, senior managers and line managers expressed concerns about the increasing workloads faced by some staff. This was one of the reasons put forward for what some managers saw as a prevailing long-hours culture, particularly among more senior grades for whom flexi-time was not perceived to be a reality. Around half of the line managers involved in our focus groups felt their staff were under too much work pressure and did not have enough time to get everything done in their jobs.

2.30. The National Assembly's own staff attitude survey results show that, in 2005, 41 per cent of those staff who took part in the survey believed

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18 The National Assembly has recently tendered for the provision of an Employee Assistance Programme 24 hour counselling helpline which should be in place by September 2006. It also hopes to extend access for one to one counselling to up to six sessions.

they could not get their work done within their contracted hours, of whom two-thirds stated that they worked more than five hours over their contracted hours in an average week. Work pressure and staff shortages were reported as the most common reasons for working beyond contracted hours. However, the survey also showed that the percentage of staff agreeing that they are able to achieve a balance between their work and life outside has increased steadily from 58 per cent in 2002 to 70 per cent in 2005.

Integrating the ASPB mergers and the relocation strategy

2.31. Rollout of the Confident Manager training programme (paragraph 2.7) has provided a means to promote greater consistency in people management but the recent ASPB mergers present a further challenge in respect of sickness absence management. Most former ASPB staff will, in the short term, operate under the attendance management policy of their predecessor bodies, pending harmonisation of terms and conditions, and there are some clear differences in the content and detail of these policies compared with that of the National Assembly. For example, although the Welsh Development Agency, Wales Tourist Board and Education and Learning Wales had set out basic procedures for dealing with frequent short term absence, they had not set clear trigger points to guide when management intervention should take place. These differences may cause confusion where managers may be responsible for a mix of former ASPB and Assembly Government staff, or where former Assembly Government staff are now managed by former ASPB staff.

2.32. These mergers, along with the wider rollout of the Assembly Government's relocation strategy, also mean staff will be dispersed more widely around Wales. To reflect these developments, the existing HR Adviser team structure (paragraphs 2.9 and 2.10) has been expanded to a total of eight teams, including three teams providing specific support to functions based in North Wales, Mid Wales and Merthyr Tydfil. The make-up of these teams also includes HR staff from the merging ASPBs.

2.33. These geographical issues have implications for the corporate health service which has already established a small team in North Wales made up of one full time health and safety officer, a welfare (staff support and counselling) advisor, and an occupational health advisor who will divide her time between North and South Wales. In other locations, occupational health advisers will continue to make scheduled visits on a less frequent basis. The corporate health team has recently distributed a leaflet to all staff updating them on the range of services available and how these can be accessed.

Appendix 1: Methodology

1 In developing our methodology, we drew on the work undertaken previously by the Wales Audit Office (and the National Audit Office Wales) on sickness absence management in the Further Education and NHS sectors. We also developed some of the methodologies used by the National Audit Office in its examination of attendance management in the Department for Work and Pensions.[19]

2 Our fieldwork included the following key stages, some of which are explained in more detail in the remainder of this section:

- focus groups with line managers;

- a review of staff sickness absence records;

- written feedback from 20 staff who had recently returned to work following a period of long term sickness absence;

- interviews with relevant HR, payroll and corporate health staff involved in the management of sickness absence, and examination of relevant policies, reports and statistics generated by these departments;

- interviews with eight senior managers of departments/divisions across the National Assembly; and

- interviews with HR managers from the Welsh Development Agency, Wales Tourist Board and Education and Learning Wales, prior to the merger of these organisations with the Assembly Government from 1 April 2006.

Focus groups with line managers

3 In November 2005, we conducted six focus groups with a total of 52 line managers from across the National Assembly and received additional feedback from 16 managers unable to attend the planned sessions, or who were nominated to attend a session in North Wales which was subsequently cancelled. As part of their involvement, managers were asked to complete a short attitudinal questionnaire covering a range of sickness absence management related issues. They were also given the opportunity to highlight any perceived strengths and/or weaknesses in the current arrangements for managing sickness absence. We have provided the Assembly Government and Assembly Parliamentary Service HR Departments with a separate report summarising some of the more detailed outputs from this work.

4 It is unlikely that the responses provided by these 68 managers were fully representative of opinion across the whole of the National Assembly. However, the outputs from this work suggested that those involved represented a wide range of views. They also had different levels of line management responsibility within the organisation, and some had held these responsibilities for less than a year while others had considerable experience of line management, including experience in other parts of the public sector, or in the private and voluntary sectors.

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19 Wales Audit Office, *The management of sickness absence in further education institutions in Wales*, May 2005.
National Audit Office Wales, *The management of sickness absence by NHS trusts in Wales*, January 2004.
National Audit Office, *Managing attendance in the Department for Work and Pensions*, December 2004.

Review of staff sickness absence records

5   We reviewed sickness absence records relating to a sample of 125 staff from across the National Assembly, focusing particularly on the period from November 2004 to September 2005. These staff were randomly selected to represent three core groups:

■ those whose absence record had not reached any of the trigger points for management intervention set out in the attendance management policy since November 2004 (35 staff sampled);

■ those whose absence record had reached the trigger points for absence at some point after November 2004, based on a pattern of short term or frequent absence (55 staff sampled); and

■ staff who had returned to work following a period of long term sickness absence (35 staff sampled).

6   In undertaking this review we were looking to identify any errors in the final records held on the payroll system, as well as looking for evidence of appropriate management action as regards return to work interviewing and intervention in response to patterns of absence that cause concern (either frequent short-term or long term absence). Any quantitative analysis of our findings excluded staff whose line managers did not respond to our request for copies of their sickness absence records, or who were not the line manager of the member of staff at the time of any particular period of absence. The records we examined included:

■ the record of absence held on the payroll system;

■ self certification forms and medical certificates stored by the payroll section, and in some cases copy records submitted by line managers;

■ any sickness absence related records held on individuals' HR files; and

■ any other records maintained by individual line managers of these staff (we received copies of line managers' records, or confirmation that no records were kept, for 109 of the 125 staff). These varied in content and in time span due to changes in line management responsibilities.

Feedback from staff returning to work after a period of long term sickness absence

7   In January 2006, the corporate health team distributed a short feedback form to twenty staff that had, over the previous year, returned to work following a period of long term sickness absence. We received responses from 18 of these staff.

8   These forms asked for details of the following:

■ confirmation of the timing and duration of the absence and description of any work related factors that contributed to the cause of the absence;

■ a summary of the contact with, and support provided by the National Assembly during the period of absence (from HR, occupational health/welfare and line managers) and any ways in which this could have been improved; and

■ any notable features of the arrangements for returning to work, such as phased return on a part time basis or temporary redeployment into a different role.

Appendix 2: Indicative comparison of absence rates between organisations

1   While it is useful to benchmark the National Assembly's sickness absence rates with other organisations, some care has to be taken in interpreting such comparisons. The type of work undertaken by an organisation, and its employee profiles will impact on the levels of sickness absence. For example, organisations with a higher proportion of people involved in heavy manual work are more likely to have to a higher absence rate. Comparisons are further complicated by the fact that organisations use different methods for recording and reporting sickness absence.

2   Figure 9 provides an indication of how the National Assembly's absence rate compares with other organisations. In 2004, the National Assembly's absence rate was very slightly below the UK Civil Service average. Ongoing reductions in the National Assembly's sickness absence rates through 2005 mean that the National Assembly is likely to compare more favourably when the UK Civil Service sickness absence figures for 2005 are published at the end of 2006 (subject, of course, to the trends in sickness absence rates in other civil service departments).

Figure 9. Absence rates across the National Assembly and other public and private sector organisations

	Period of analysis	Average days lost per person
UK Civil Service[1] (of which, for example)	2004	9.1
Inland Revenue		12.2
National Assembly for Wales		8.9
Driver and Vehicle Licensing Agency		8.1
Scottish Executive		5.9
Cabinet Office		3.0
National Assembly (per member of staff)	2005	8.0
Local Government in Wales[2]	2004/2005	11.8
UK Private Services Sector[3]	2005	6.8

1   *Source: Red Scientific Ltd (on behalf of the Cabinet Office), Analysis of Sickness Absence in the Civil Service, November 2005*. Differences in methodology mean that the figures reported by the Cabinet Office are not comparable with the National Assembly's own figures. For example, these reports weight the sickness absence of part-time staff according to the number of hours they work (although it does not take account of their working patterns) and reports its figures based on an average staff year of 225 working days (excluding annual leave and bank holidays).

2   *Source: Local Government Data Unit and Wales Audit Office, NAWPI viewer.* This figure is based on a whole time equivalent count. We estimate that the National Assembly's whole time equivalent rate for 2005 would be around 8.3 days (paragraph 1.20).

3   *Source: Chartered Institute of Personnel and Development: Absence Management, a survey of policy and practice, 2006.* This figure is based on a survey of a sample of organisations in all sectors across the UK.
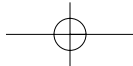
Appendix 3: Examples of corporate health initiatives across the National Assembly

Figure 10. Initiatives to promote physical activity

Fitness Centre: There is an onsite fitness centre at its Cathays Park office, which staff are encouraged to use. Facilities include a gym as well as various fitness classes, such as aerobics and pilates. The occupational health team is currently trying to negotiate a corporate membership fee for staff to use leisure centres across Wales.

Six Urban Walks: The National Assembly, in partnership with Urbanwalks, has distributed a booklet setting out six different walks around the Cathays Park offices. These are designed to encourage staff to take physical exercise during the workday.

Source: Wales Audit Office review of the National Assembly's Corporate Health standard application

Figure 11. Initiatives to promote stress reduction

Woodland de-stress day. In September 2004, the corporate health team ran an event where staff who were off sick were invited to the Brecon Beacons. The aims of the day were to provide staff with the opportunity to relax and de-stress in peaceful woodland and to provide an opportunity for staff to treat themselves and review their progress. Events held on the day included:

- woodland walks;
- occupational health advice on rehabilitation;
- de-stress massage; and
- woodland sauna.

Despite some critical press coverage at the time, subsequent review of the event suggested that there was positive feedback and that staff welcomed the contact with the occupational health team.

Strides against stress: The Strides against Stress promotion emphasises the benefits of lunchtime walks in reducing stress. The walks are for approximately one mile and last 20 minutes.

*Source: Wales Audit Office review of the National Assembly's Corporate Health standard application*

Figure 12. Initiatives to promote general good health

Food for thought: For one month, in January 2005, no biscuits were served at meetings in the National Assembly. Instead, a platter of fresh fruit was provided.

Smoking: The National Assembly has introduced a no-smoking policy inside its buildings, although the Assembly Parliamentary Service is not included. It has also run promotions, including lung capacity tests and smoking cessations sessions to help staff give up smoking.

Colon Cancer Awareness: In October 2004, the corporate health team ran awareness briefings for staff on colon cancer, which more than 90 staff attended.

Source: Wales Audit Office review of the National Assembly's Corporate Health standard application
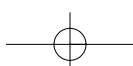
Appendix 4: Special leave entitlements for National Assembly staff

Figure 13. Additional paid and unpaid leave entitlements for National Assembly staff

Unpaid special leave	Available for up to 3 months in any 12 month period – for any purpose other than party political activity
Maternity leave	26 weeks paid, 26 weeks unpaid
Paternity leave	15 days around the time of the birth
Adoption leave	26 weeks paid, 26 weeks unpaid
Parental leave	Depending on eligibility, up to 13 weeks unpaid leave per child (18 if child has a disability)
Foster leave	Up to 40 days paid and 80 days unpaid leave over a five year period
School holidays/ term time working	May take unpaid special leave during school breaks, although some annual leave must be taken as well Staff have the option of averaging their pay across the year
Career break	Up to 5 years unpaid leave
Paid special leave	Up to 5 days paid leave in a range of circumstances, including domestic issues, such as bereavement and caring responsibilities, participation in sporting events and transfer and resettlement. It also covers: ■ study leave: varies depending on type of study, up to a total of 34 days paid leave spread the length of a degree course; and ■ reserve forces: up to 8 days paid leave as a rule, but up to 5 further days in some circumstances.

Note

These entitlements relate to the policies in place prior to the ASPB mergers in 1 April 2006.

Source: Wales Audit Office review of the National Assembly's human resource policies