

# Delivering Healthy Ambitions Better for Less



## Overview.

Managing sickness and maximising attendance will help the NHS deliver high quality care and save money. Simple measures can help to support staff and reduce sickness. Potential savings are significant with a £19.5 million saving shared across acute providers in Yorkshire and the Humber.

# Why sickness management?

In order to provide high quality care the NHS needs healthy staff. The NHS Constitution pledges to provide support and opportunities for staff to maintain their health, well-being and safety.

From April 2009 to March 2010, the sickness absence rate in our region was 4.7%. There were just under 2 million days lost to sickness at a cost of £186 million.

**Table 1. Sickness absence by organisational type in Yorkshire and the Humber**

Organisation type	Sickness absence rate	Days lost	FTE lost	Staff cost per FTE (£)	Cost of absence (£)
Acute	4.5%	1,244,968	3,411	34,415	117,386,000
MH	5.8%	276,133	757	30,584	23,138,000
PCT	4.5%	381,441	1,045	35,812	37,426,000
Amb	5.8%	80,145	220	35,599	7,817,000
SHA	1.5%	2,452	7	47,000	316,000
<b>Total</b>	<b>4.7%</b>	<b>1,985,139</b>	<b>5,439</b>	<b>34,349</b>	<b>186,081,000</b>

The NHS Health and Well-being Review (2009) found that:

“If we can raise the levels of performance in those struggling to support staff, and reduce overall sickness absence by a third, there would be 3.4 million more working days available to the NHS each year, which is the equivalent to 14,900 Whole Time Equivalent Staff. (WTE)”

Occupational health expert Steve Boorman, author of the review, said:

“Prevention of ill health is key. During the review, when NHS trust organisations looked after staff better, not only did they get better attendance, but also better patient outcomes.

“When appraisals were consistently done, the number of workers off sick halved [in some cases], and where managers were supportive to them, and offered faster access to care and support, there was significantly improved attendance.”

“Making available this additional resource would go a long way to meeting the quality and productivity challenges and also to address the prevalent concerns about workload that manifest in staff feedback. The annual direct cost saving of £555 million resulting from improved attendance would also be available for investment in patient care.”

## What is the challenge?

The objectives for any NHS organisation in managing staff sickness are threefold:

- Look after the health & well-being of staff
- Ensure a positive impact on patient care
- Make the best use of resources.

One of the key priorities is to reduce the number of staff on long-term sickness (absences in excess of 4 weeks). Chartered Institute of Personnel and Development evidence shows that the longer someone is off work the harder it is for them to return, and if staff are off for longer than 6 months it is highly probable they will not return to work. Delayed intervention by NHS managers can exacerbate the problem and reduce the chances of staff successfully returning to work.

Acute provider trust sickness absence rates in our region currently range from 3.3% to 5.4%. Reducing sickness rates to 3.75%, which should be achievable through the measures identified in this briefing, would improve patient care and save NHS Trusts in our region an estimated £19.5 million.

## How could we provide better care for less?

A working partnership between Human Resources and Occupational Health Departments within Trusts can help reduce staff sickness and maximise attendance.

By focussing on the area of long-term sickness absence especially linked to early intervention it would help support staff back into the workplace quicker. This benefits the individual, the team and ultimately the patient as best use is made of staff their skills and experience.

Appointing HR/OH staff to act as champions for managing sickness absence has been seen to work in acute Trusts. This role includes implementing a consistent absence process and working closely with managers to ensure that all sickness absence is managed appropriately.

If managers do not follow the proper process, the Human Resource Team can work with them to find out the barriers to the new procedures and resolve problems. Trusts can focus on early intervention and early referrals to Occupational Health. Early consideration can be given to alternative work or work patterns. Staff counsellors, psychologists and physiotherapists can help to provide immediate fast track staff support.

These measures are a spend to save; they would be expected to pay for themselves very quickly through reduced staff absence due to sickness, and in many instances can be provided through better use of existing OH resources.

Other interventions can include:

- Developing a training package to support managers to identify and tackle work related stress issues amongst their workforce
- Revise training on promoting wellbeing and sickness absence management
- Paid phased returns to work
- Establish a process to agree alternative work for staff off sick.

Whilst the data in this briefing will focus on acute provider trusts the challenge and interventions are also valid for mental health providers and PCT provider organisations. It is also recommended that all NHS organisations examine the recommendations of the NHS Health and Well-being Review (2009).

<http://www.nhshealthandwellbeing.org/>

## Staff benefits

- Improved health and wellbeing
- Fast tracked services via OH to counselling, physiotherapy, psychology
- Paid phased returns to work to aid rehabilitation back to the work-place
- Short term alternative work options to help keep staff at work
- Team members returning to work quicker, reducing reliance on less experienced agency staff or reduced staffing.

## Patient benefits

- Patients being treated by happy, healthy staff working in teams with familiar colleagues, rather than tired, unwell and unhappy staff. This can help improve safety, efficiency and patient experience
- Having more experienced staff at work to provide care/support to patients
- Frees up resources for patient care.

## Efficiency benefits

Savings are made on overtime and agency staff costs as well as less obvious savings, such as not having to induct and train temporary employees.

One trust in our region that has successfully implemented this approach has seen the difference between the absence rates of the start of the project to date equate to having approximately 38 more full time equivalent staff at work.

## Financial benefits

As well as the quality and efficiency benefits, there are significant financial benefits to be gained by getting staff back to work earlier following sickness absence.

Through the interventions described, York Foundation Trust aimed to reduce sickness absence FTEs as a proportion of total FTEs to 3.75%. If all acute trusts were able to achieve this level, savings of £19.5m would be realised across the region. Potential savings per provider are outlined opposite.

**Table 2. Potential acute trust savings through reduced sickness absence**

Trust/ Foundation Trust	Absence rate	Savings (£)
Airedale	4.1%	238,576
Barnsley Hospital	4.5%	573,993
Bradford Teaching Hospitals	5.4%	2,431,412
Calderdale and Huddersfield	4.1%	549,546
Doncaster & Bassetlaw Hospitals	4.2%	731,350
Harrogate & District	4.2%	293,029
Hull & East Yorkshire Hospitals	4.7%	2,158,942
Leeds Teaching Hospitals	4.6%	3,919,758
Mid-Yorkshire Hospitals	5.1%	2,704,624
Northern Lincolnshire & Goole Hospitals	4.3%	844,229
Rotherham	4.4%	594,953
Scarborough & North East Yorkshire	4.8%	620,517
Sheffield Teaching Hospitals	4.7%	3,729,410
Sheffield Children's	3.3%	-
York Hospitals	4.1%	421,374

**NB. Whilst the interventions in this briefing apply to all NHS organisations, it is not suggested that it is appropriate for mental health trusts to achieve the acute trust target for sickness management.**

These savings reflect the value of lost productivity as a result of staff being unavailable for work. Where agency staff are recruited to replace staff on long term sickness, Trusts will incur an additional cost in the form of an agency premium whilst the post is filled.

In the case of York FT, in order to implement processes to reduce sickness absence, two new posts were established. As such, the savings highlighted above may be less than presented where trusts are required to establish new posts. York FT established the positions of HR adviser and senior OH adviser, the cost of these positions to an organisation is likely to be between £68,000 and £86,000 per year. It is anticipated that not all organisations will require the establishment of new posts in order to implement the recommended intervention.

## Implementation

The top-tips for managing staff sickness are:

- Ensure support from the top of the organisation and staff side organisations
- Ensure sickness management is regularly discussed by the director team
- Regular discussions with line managers to ensure that sickness is being managed effectively and consistently.
- Tackle issues regarding the delivery of the procedure quickly and in partnership, to ensure a consistent approach across all departments
- Focus initially on areas which will provide measurable benefits
- Ensure results are regularly and widely reported.

## Case study – York Foundation Trust

A project was introduced in April 2008 to look at managing sickness and maximising attendance at York Teaching Hospitals NHS Foundation Trust (4,500 employees). The project utilised the interventions described in this briefing. This was a working partnership between the Trust's Human Resources and Occupational Health Departments.

Before starting the project:

- In a 12 month period, the Trust lost the equivalent of 146 WTE staff
- The average referral time to Occupational Health for a member of staff on long-term sickness absence was 15 weeks
- The estimated annual cost of absence was £3.7 million.

The key objectives for the project were:

- A reduction in the Trust-wide quarterly-sickness absence rate from 5.13% to 3.75% (at September 2010)
- A 10% reduction in the number of staff off on long-term sick
- For the top 6 areas within the Trust with the highest absence figures, the 'hot spot' areas, absence meetings to be held on a regular basis with the HR adviser and departmental manager to discuss and progress new and on-going sickness absence cases
- To encourage managers to refer employees on long term sickness or who we knew may become long term to Occupational Health as soon as possible, therefore getting support and advice as soon as possible.

Key achievements to date include:

- 56% reduction in the number of staff on long term sickness (4 weeks +) (43 vs 99)
- 65% reduction in number of staff on long term sick (3 months +) (18 vs 52)
- In addition the Quarterly Sickness Rate has reduced from 5.1% to 3.7%.

The Trust estimate their quantifiable savings on sick pay alone to be approximately £239K per year since the implementation of the sickness management project.

NB: Data compares March 2008 with Sept 2010.

## Case Study – Rotherham NHS Foundation Trust

A project entitled “From Absence to Attendance” was introduced in July 2009 following a review of the Trust’s Absence Policy.

The project brought together a range of people from Human Resources, Occupational Health and trade union representatives who continue to work in partnership to ensure that sickness absence is being managed fairly, consistently and with compassion.

Before starting the project the Trust’s sickness absence levels were 5.7% (equating to 21 days sickness absence per employee and over 55,000 days lost during the 12 months ending March 2009). The estimated annual cost of absence at the end of March 2009 was £3.4 million.

The project aimed to reduce the annual sickness absence rate from 5.7% to 4.7% by March 2010 and a further reduction by March 2011 to 4.25% (the aspirational target is currently 3%).

Departments whose absence levels exceeded 5.7% were targeted and the reasons for the absence examined, this included the frequency of absences (using the Bradford factor formula) and whether the trend could be found in any particular staff group or unit.

A comprehensive training programme for line managers ensured that the new Policy was consistently applied across the Trust.

The Trust achieved cost savings of 20% in the first year of the project and expects to achieve savings of approximately £500,000 at the end of the current financial year.

At the end of March 2010 sickness absence (for the rolling 12 month period) was recorded as 4.4%. At the end of October 2010 average sickness absence levels had fallen again to 4.3%, above our year end target. On average, the Trust have reduced days lost per employee from 21 days to 16 days since the start of the project.

# Key contacts

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## Better for Less Briefings

All NHS Yorkshire and the Humber Better for Less briefings are available from:

[www.healthyambitions.co.uk/betterforless](http://www.healthyambitions.co.uk/betterforless)