

Falconbury

Essential HR for Line Managers

Module 7

Managing Sickness and Absence Effectively

Anne Knell, MA, CFCIPD

Anne Knell, MA, CFCIPD, is a Partner in Newways 90, an HR consultancy offering a broad range of personnel advice and support to clients in all sectors of business. Before that she spent over 20 years in human capital services for Binder Hamlyn Fry/Arthur Andersen. She has wide experience in advising companies on organisation design, personnel policies and procedures, employment law, remuneration planning including job evaluation, the introduction of appraisal systems and training of appraisers, identifying relevant performance indicators and employee attitude surveys. Author and editor of several publications on employment law and HR practice, she also lectures extensively on these topics.

Much of her present client work involves advising directors and managers of the implications of actions they may be considering in relation to staff, e.g. recruitment, contracts of employment, appraisal, discipline and dismissal.

Anne has produced a number of publications including: *The Personnel Manager's Factbook* and *The Reward and Recognition Handbook*. She is also a Chartered Fellow of the Chartered Institute of Personnel and Development (CFCIPD). She is qualified to use a range of psychometric tests for recruitment and assessment purposes and was appointed as an ACAS Arbitrator in 2001 and as a mediator for their small firms' service in 2003.

Course helpline:

Tel: +44(0)20 7729 6677

Email: distancelearning@falconbury.co.uk



Falconbury Ltd
10-12 Rivington Street
London EC2A 3DU

Telephone: +44 (0)20 7729 6677

Fax: +44 (0)20 7729 6110

Email: distancelearning@falconbury.co.uk

Web: www.falconbury.co.uk/distancelearning

© In this format Falconbury, produced under licence by
permission of Thorogood Publishing Ltd 2008

All rights reserved. No part of this course may be reproduced,
stored in a retrieval system or transmitted in any form or by any
means, electronic, photocopying, recording or otherwise, without
the prior permission of the publisher.

This course is sold subject to the condition that neither it nor the
Modules that it comprises of, be lent, re-sold, hired out or
otherwise circulated without the publisher's prior consent in any
form of binding or cover other than in which it is published and
without a similar condition including this condition being
imposed upon the subsequent purchaser.

No responsibility for loss occasioned to any person acting or
refraining from action as a result of any material in this course
can be accepted by the author or publisher.

MANAGING SICKNESS AND ABSENCE EFFECTIVELY

CONTENTS OF MODULE

1. INTRODUCTION	5
2. THE LEGAL FRAMEWORK.....	6
Effective records	6
3. MANAGING SICKNESS ABSENCE	7
Establishing the size of the problem	7
Using the data	8
4. EXTERNAL STATISTICS.....	11
CBI/AXA survey 2007.....	11
CIPD survey 2007	12
5. A SICKNESS ABSENCE POLICY	15
When and how much to pay for sickness absence	15
What to include in a sickness policy.....	16
Contractual or non-contractual.....	17
Variation of contract	17
6. THE PROCEDURE FOR MANAGING SHORT-TERM SICKNESS ABSENCE	18
Trigger points.....	18
Starting the disciplinary procedure	19
ACAS advice	20
7. LONG-TERM SICKNESS	21
Taking action	21
Procedures	22
Dismissal	23

8.	RETURN TO WORK	24
	After a short period of absence	24
	After a longer period of sickness absence	24
9.	THE RETURN TO WORK INTERVIEW	25
	The purpose of the return to work interview	25
	Preparation	25
	The conduct of the interview	26
	Interviewing skills	26
10.	APPENDIX 1: EMPLOYEE MEDICAL RECORDS	28
	The benchmarks	28
	Part 4: Information about workers' health	29
	Examples of information about workers' health	30
	Sensitive data	30
	Medical information about employees	31
	Medical examinations	31
	Drug and alcohol testing	32
	Genetic testing	32
11.	SELF-ASSESSMENT QUESTIONS FOR MODULE 7	33
	Your next Module will be:	34

1. INTRODUCTION

Sickness absence is a considerable problem for many organisations. Public surveys on sickness absence suggest that the cost to the economy is around £13.4bn.

The responsibility for ensuring that a sickness policy is properly managed should rest with the line managers and supervisors of the departments within the organisation. Although HR may be the official guardian of the sickness records, you as a line manager should review the records, ask absentees for reasons etc when they return, monitor the behaviour of individuals and groups and take further action, within policy, where appropriate. You should talk to your staff individually and in groups to make sure they understand the importance of being at work everyday and the consequences of absence, not just for the longer term well-being of the organisation but also for their friends and colleagues.

The HR department has a part to play in the formulation of a policy which meets the needs of the organisation and may provide help and support to managers in carrying out difficult interviews. It should not however, usurp the role of the line manager.

As a line manager, you should not accept absenteeism as an unfortunate fact of life but as a real obstacle to meeting your objectives. After all, the cost of temporary staff to cover absentees, or overtime, or customer problems because you are failing to meet deadlines, all impact on your budget and affect the assessment of your performance.

This Module looks at the legal framework for dealing effectively with sickness absence, how to establish the scope of the problem, the need for an effective sickness policy and the importance of good record-keeping.

2. THE LEGAL FRAMEWORK

There is comparatively little legislation about managing sickness absence. Most of the guidelines for dealing with it come from the courts' interpretation of the right of an employer to dismiss fairly an employee who is 'incapable' of carrying out the work which he/she is contracted to do.

'Fair' reasons for dismissal can be found in the Employment Rights Act 1996, which repealed and re-enacted earlier legislation governing fair and unfair dismissal. For a dismissal to be 'fair', the reason for it must fall within one of the six categories of 'fair' dismissal permitted by the Act. Lack of capability is one such reason. In relation to sickness dismissals, the lack of capability may either be because the frequency of absences mean that the employee is not fulfilling his/her side of the employment contract, or, in cases of long-term sickness, that he/she is rendered incapable, through illness, from fulfilling his/her contract.

However, not only must the reason for dismissal be 'fair', but you as the employer must also be reasonable in the way in which the dismissal is carried out. 'Reasonableness' in the context of capability dismissals because of poor attendance will always be characterised by:

- Meticulous records
- Discussion and consultation with the employee
- Proper medical information
- Remedial action where possible
- A warning to the employee that further absence may result in dismissal
- Dismissal in accordance with any internal rules and procedures.

Effective records

Without accurate and up to date records, it is impossible to manage absence effectively. Any action taken, eg a disciplinary warning, must be prompted by reliable data. As well as the need to maintain records properly for effective management, employee records are also subject to the Employment Practices Data Protection Code. For details see the Appendix to this Module.

3. MANAGING SICKNESS ABSENCE

Establishing the size of the problem

Sickness and absence from work are major problems for many organisations, not just because of the lost time they represent but because employers often feel inadequate in trying to deal with the situation. It is however, impossible to arrive at workable and effective policies on the management of absenteeism without timely and accurate management information.

Calculating overall absence figures

To arrive at an understanding of the frequency of absence, employers need to keep accurate and timely figures. The calculation itself is straightforward:

- (a) Take the total number of available working days in the period; this is the product of the total number of days x the total number of employees. If therefore, the period over which absence is to be calculated is the working week, Monday to Friday, and there are 100 full-time employees, the number of days available for work is 500.
- (b) Then take the number of days missed for reasons other than training or authorised holidays, eg 45.
- (c) The percentage rate for absenteeism is:

$$\frac{45 \times 100}{500} = 9\%$$

Measuring frequency

A simple calculation, often called the frequency rate, may provide more helpful absence information on which to base policies to reduce absence. This rate shows the average number of spells of absence per employee (expressed as a percentage) irrespective of the length of each spell:

$$\frac{\text{Number of spells of absence} \times 100}{\text{Number of employees}}$$

Measuring incidence

Another simple calculation can reveal the proportion of employees absent during a given period:

$$\frac{\text{Number of employees having one or more spells of absence} \times 100}{\text{Number of employees}}$$

The 'Bradford factor'

An alternative way of assessing levels of absence is to look, not just at the number of days, but at the number of disruptions which occur. This method recognises that it is the cost and disruption of short-term periods of absence which create most problems for management. The formula, said to have been devised by the University of Bradford, measures an employee's irregularity of attendance. It is:

$S \times S \times D = \text{'Bradford' score points}$

S = the number of specific spells of sickness in the last 52 weeks and D is the number of days absence in the last 52 weeks.

If an employee has had 14 days off work through sickness in the last 52 weeks, his/her 'Bradford' factor will vary enormously depending on the way in which that 14 days was taken:

One period of 14 days has a 'Bradford factor' of 14 points ($1 \times 1 \times 14 = 14$);

Seven periods of 2 days each have a 'Bradford factor' of 686 ($7 \times 7 \times 14 = 686$);

Fourteen absences of 1 day each have a 'Bradford factor' of 2,744 ($14 \times 14 \times 14 = 2,744$)

Using the data

The raw figure in itself does not provide enough information. You also need to know the causes of absence and these too need to be recorded. Consistency is important. If authorised holiday or attendance on training courses is recorded as absence by one department, it should be treated in the same way in other departments. A simple code can provide much useful information for the organisation, eg:

- A = sickness supported by a self-certificate;
- D = sickness supported by a doctor's certificate;
- F = time off for family or other domestic reasons;
- H = authorised holiday with pay;
- L = authorised leave without pay;
- P = parental leave;
- R = statutory time off rights;
- S = time off on a sabbatical;
- T = attendance at a training event;
- M = on maternity leave;
- U = unauthorised absence, reason unknown.

This allows the organisation to calculate not just the amount of time taken off sick but also the extent to which it is reaching its training targets, sabbatical schemes are taken up etc. It is also important to be able to separate time off where the employee has a statutory right, eg parental leave, from casual absence which might invoke the disciplinary procedure. To dismiss an employee for persistent or excessive absence, where he/she claims that the time off was a statutory right, would probably make any dismissal unfair.

The figures also need to be interpreted in terms of:

- Problem areas: jobs which are unpopular or working conditions which are found to be unpleasant.
- Problem people: those who take a lot of time off, have frequent regular periods of absence or are long-term sick.
- Effectiveness of supervision/management: there is some evidence that high levels of absenteeism follow supervisors round. There is also evidence that a pro-active stance to returning absentees pays off by reducing the frequency and duration of absence.
- Other policies or practices which may encourage – or fail to inhibit – absenteeism: it is better to be absent 'sick' than to come into work 15 minutes late.
- Areas where the employer may need to strengthen or review his/her policies and procedures: if the organisation is heavily dependent on women employees, maternity and family leave policies may be important in helping to attract and retain key staff.

Reasons for absence

Once the size of the problem has been identified – and absence can be measured not just in days lost but in the value of that loss as well – the organisation can then try and identify the causes. These are many and various, and will reflect the perceived disadvantages of the organisation and the job as well as personal factors. Investigations of absence have found that it is influenced, among other things, by:

- the amount of overtime which has been worked
- peer group pressure
- the nature of the work itself
- the size of the organisation
- working conditions
- personnel policies
- sick pay policies
- family responsibilities
- status
- travel problems
- age
- sex
- quality of supervision
- job satisfaction.

The obvious way to find out why people have been absent is to ask them. However, while they may be truthful about the reasons which are outside their immediate control, such as the sickness of a child or the non-arrival of public transport, they are often less willing to be frank about the reason if it was simply that they felt like a day off, wanted to go to the football match, needed to do some shopping etc. Where casual absence has become a way of life asking returning employees may not be enough to find out the

root causes. In order to re-assert the values and philosophy of the company, employee attitude surveys may help paint a wider picture especially where people can answer anonymously. Such surveys need to be drawn up with care but by asking the right questions, organisations can learn some truths about how their employees view them and some of the barriers to full attendance.

Auditing the workplace

Many of the potential causes of absenteeism have nothing to do with sickness or domestic problems. They come into play because people find things they would rather do than come into work. One of the initiatives organisations should take is to audit the workplace.

You should go round your department from time to time looking at it critically and ask yourself:

- What impression does this place make on a stranger who walks in for the first time? Is it welcoming, intimidating, indifferent, attractive, dirty, untidy etc?
- How effective is our recruitment process? Do we look for the right qualities in our staff and give the right messages to those we recruit, ie this is a good place to work and does everybody work hard? Do we check references to identify potential absence problems? Do we ask candidates to complete medical questionnaires or undergo a medical?
- How well do we induct people? Do we introduce new employees positively, re-enforcing the messages that our recruitment put across?
- What is our health and safety record like? Have we done all we can to create an environment where productivity and safe working practices go hand in hand?
- Is the physical work environment as attractive and free from hazards as we can make it?
- Do we train our employees well in safe working methods and remind them of their responsibility in health and safety issues?
- How effective are our policies on sickness, absence, holidays, maternity leave? Do we have the right to ask employees whose health appears to be causing problems to undergo a medical examination?
- When someone has been off for a period, do we bother to find out the causes of the absence or do we just take excuses at face value? Do we visit the longer term sick or communicate with them in any way?
- Do we train our supervisors to supervise and our managers to manage, and do we give them the tools to be effective in their roles?
- Are employee relations generally good? Are working relationships usually harmonious?
- Are our disciplinary procedures fair, consistent and widely known? What is our record in dismissing people for unacceptable periods of absence?

4. EXTERNAL STATISTICS

There are currently two annual surveys of employee absence, focussing on days of work for sickness or unauthorised absence, one by the Confederation of British Industry (CBI) and the other by the Chartered Institute of Personnel and Development (CIPD).

CBI/AXA survey 2007

According to the latest CBI/AXA survey of absence, published in May 2007, the cost of staff absence to the UK economy rose to over £13.4bn in 2006 – and 66 million days were lost across the public services at a cost of £3.4bn to the taxpayer.

The survey also reveals that absence levels were 44 per cent higher across public sector organisations than in the private sector.

The total number of days lost through absence across the UK economy rose in 2006 to 175 million days. The average number of days off per employee in 2006 in the private sector was 6.3 days, but this rises to 9 days for public sector employees.

The survey suggests that a ‘culture of absenteeism’ still exists in too many workplaces. As many as 12 per cent of days lost to sickness in 2006 were considered non-genuine by employers – in other words staff ‘pulling sickies’ – at a cost to the economy of £1.2bn.

A yawning gap of almost 9 days still remains between the best and worst performing organisations – and if the worst could raise their performance to the best, the overall cost of absence would fall by £5.4bn.

The survey consistently finds that organisations which recognise trade unions have higher rates of absence – 7.6 as opposed to 5.5 days. This is particularly true for the public sector and is irrespective of size: all but the very smallest unionised organisations have higher rates.

Recognising a union need not automatically be a barrier to reducing absence, however. Manufacturers that recognise unions have only 0.6 days higher absence than those that do not, whereas organisations in the public sector with union recognition have absence 2.9 days higher than those without.

Since the survey began in 1987, the gap between absence levels among manual and non-manual workers has narrowed. The gap stood at 5 days in the early nineties and is now half that. But it is manual staff that have made all the gains while absence for non-manual employees has remained broadly static for a decade.

There is still a marked difference in rates of absence between large and small organisations. Larger ones, employing over 5,000 staff, averaged 7.4 days’ absence per employee, whereas smaller ones with fewer than 50 employees averaged just 4.2 days.

The most likely reason for this difference is because more small firms put senior managers in charge of absence, and staff may have a greater awareness of its impact. For the first time in the survey though, HR managers were found to be the most effective at dealing with absence. Where they were in charge rather than line managers, nearly two fewer days were lost.

The survey reveals, however, that managers may not be using the most effective policies to manage absence. The policies that had the most impact were waiting a period of days before paying sick pay, offering bonuses for good attendance and providing early access to medical care through private medical insurance.

43% of overall time lost is attributable to longer periods of absence – over 20 days – and costs £4.8bn. But long-term absence is more of a problem in the public sector, where just 6 per cent of absentees accounted for over half of the total time lost. Rehabilitation services, which include flexible working, counselling, training and treatment, are now offered by 84 per cent of organisations – up 24 percentage points on the previous year.

CIPD survey 2007

The latest CIPD survey was published in July 2007. Its main findings were:

Absence levels

1. The average level of employee absence has increased by 0.2% to 3.7% of working time
2. This equates to 8.4 days per employee per year, an increase from 8 days for the previous year
3. The average annual absence level for manual workers was 4.3% and 9.8 days per employee per year, compared with 2.7% and 6.2 days per employee for non-manual workers.
4. Employees in the north-east of England have the highest levels of sickness absence, at 5% (11.3 days), with the lowest levels recorded in London and the southeast of England, at 3.4% (7.8 days)
5. Employer size remains an important variable with organisations employing fewer than 100 people enjoying lower levels of sickness absence than larger ones.

Costs

1. The average cost of absence increased to £659 per employee per year from last year's figure of £598.
2. Public services organisations recorded the highest average cost of absence, £732 per employee per year, compared with the previous year's figure of £680.
3. The lowest cost of absence – £600 per employee per year – was recorded by employers in the private services sector, an increase from the previous year's figure of £522.4.

However, more than half of the survey's respondents report that their organisation does not monitor the cost of absence.

Causes of absence

There has been relatively little change in the causes of absence. The main findings were:

1. Minor illness is the number one cause of short-term absence for both manual and non-manual employees.
2. The next most significant causes of short-term absence for manual workers are back pain, musculo-skeletal injuries, home and family responsibilities, and stress.

3. Among non-manual workers, stress, musculoskeletal injuries, back pain and home and family responsibilities are ranked, behind minor illness, as the most significant causes of short-term absence.
4. Back pain is the leading cause of long-term absence for manual workers, while stress is the main cause of long-term absence for non-manual employees. On average, employers believe that about 16% of absence is not genuine.
5. A positive net balance of 31% of organisations identified an increase in stress-related absence compared with the previous 12 months.

Managing absence

Employers who have seen some improvement in levels of sickness absence attribute the improvement to:

1. Return-to-work interviews, trigger mechanisms and the use of disciplinary procedures are rated as the top three most effective approaches for managing short-term absence.
2. The involvement of occupational health services and the provision of rehabilitation programmes and flexible working opportunities are identified as the top three most effective approaches for managing long-term absence.

Employee well-being

1. An increasing number of employers are now focusing on promoting employee well-being as a means of reducing absence costs and boosting productivity.
2. The proportion of respondent organisations that have an employee well-being strategy or similar has increased to 42%, compared with last year's survey figure of 26%.
3. The most commonly provided employee wellbeing benefits are access to counselling, employee assistance programmes, 'stop smoking' support, health screening, healthy canteen options and subsidised gym membership.
4. The survey reveals that the trend for further investment in employee well-being is set to continue, with 42% of respondents indicating that their organisation's well-being spend will increase in 2008.
5. Only 11% of respondents believe their organisation's employees fully appreciate the well-being benefit spend.
6. Nearly 40% of respondents rate their organisations' communication strategy on employee well-being as poor.

Occupational sick pay and statutory sick pay

1. In all, 91% of respondents report that their organisation pays occupational sick pay (OSP).
2. Of those organisations that provide OSP, 84% pay it to all employees.
3. Just over half of employers impose a qualifying period of service that must be met before employees are eligible for the OSP scheme.
4. A total of 87% of respondents say their OSP scheme covers the first three days of absence.

5. The average number of weeks across all sectors that OSP is typically paid at full rate is 15.
6. Public services organisations, paying an average of 18.8 weeks, provide OSP at the full rate for significantly longer than employers in the other main sectors.
7. Half of our respondents identify Statutory Sick Pay as a significant or very significant cost to their organisation.

The survey is available free to CIPD members from its website:

Chartered Institute of Personnel and Development

151 The Broadway

London SW19 1JQ

Tel: 020 8612 6200

Fax: 020 8612 6201

<http://www.cipd.co.uk>

5. A SICKNESS ABSENCE POLICY

All organisations have to manage certain levels of absence from work. No matter how loyal employees are, some will need to take time off for sickness, either short or long-term. The important considerations for management are:

- What reasons for absence will attract pay, and how long for?
- How will absence will be monitored and managed?
- Should there be incentives to come to work?
- How does the absence policy fit in with other HR policies and procedures?

In considering the issues, management also needs to think about the administration of a scheme, from the payroll, personnel and line management perspective. A scheme which requires an excessive amount of record-keeping and where there is a high risk of mal-administration may be counter-productive.

Employers rarely define sickness in their policies. The definition used for Statutory Sick Pay purposes is that an employee has 'a specific disease or bodily or mental disablement' which prevents him/her from 'doing work which he or she can reasonably be expected to do under the contract'. Different diseases or injuries may not have the same effect on those doing different jobs. A driver may not be able to drive if he breaks his leg, but this would not stop a secretary from sitting at her desk if there is not too much mobility required once she is at work. The driver might well be able to carry out some clerical functions while he is not mobile and cannot do his normal job. However, an employee can only be asked to do another job in these circumstances if:

- the contract requires it, or
- he/she agrees.

SSP also covers absence for:

- precautionary reasons, eg to stop a pregnant woman catching German measles;
- convalescence certified as necessary by a general medical practitioner;
- periods in which the employee is a carrier or has been in contact with an infectious disease as certified by the Medical Officer for Environmental Health.

It can be useful to remind employees of the employer's definition of the types of absence for which sick pay may be given, ie it is for personal sickness only, not the illness of a third party.

When and how much to pay for sickness absence

The only statutory right an employee has to pay when off sick is Statutory Sick Pay (SSP). For the details, see the Appendix to this Module. SSP is payable for up to 28 weeks in any one period of sickness, at the rate of £72.55 per week from 6 April 2007 (rising to £75.40 from 6 April 2008), or pro-rata for lesser periods. No SSP is payable for absences of less than 4 qualifying days, ie the first three days do not attract payment.

Many employers choose to make more generous payments than the statutory minimum. In part this is designed to be a competitive benefit in the market place, in part it is seen as good employee relations and the action of a reasonable employer. Because there is no statutory right to any enhancement however, the level of occupational sick pay is entirely a matter for the employer, and so are the rules which govern it.

If the employer does decide to enhance SSP, it is sensible to have a policy which determines what the benefits are and who may enjoy them. This should also ensure consistency between departments and that employees with comparable service and health issues are treated in a similar way.

What to include in a sickness policy

A sickness policy should include:

- Who is covered by the policy, eg certain grades of staff. It is not possible to have a policy which excludes part-time employees or those on fixed-term contracts. Both groups of workers should benefit from the policy on a pro-rata basis.
- Any service qualifications for cover, eg six months' service before there is any sick pay.
- The extent of the cover, eg one month's full pay and one month's half pay after one year's satisfactory employment.
- The period over which sick pay will be paid. The concept of a 'sick year' is not a good one – eligibility for sick pay should be calculated over a rolling period of 12 or 24 months. Some employers bar employees from further sick pay for a period when they have taken the maximum amount payable under the scheme.
- What happens for the first three days of absence, eg paid or not.
- The need to complete a self certification form for all periods of absence related to health. It is for the company to decide if this should include time off to visit the dentist/doctor or for periods of less than one day.
- Notification procedures, eg to whom, by whom and when.
- The need to produce medical certificates after 7 days of illness. The Statutory Sick Pay (Medical Evidence) Regulations 1985 are quite specific in the detail which a doctor's statement is expected to contain but the company cannot insist on a doctor's certificate for the first 7 days of absence. As long as it is not for a period of more than six months, the doctor's certificate may specify the minimum period for which the employee should stay away from work.
- How the employee should keep in touch during his/her absence and, if the employee is away for a long time, how the employer will keep in touch with him/her.
- What happens when sick pay runs out.
- The relationship with SSP. An employer has three choices:
 1. to pay nothing but SSP;
 2. to make a payment which includes the employee's entitlement to SSP, eg "You will be eligible for one month's full pay if you are off sick which includes your entitlement to SSP";

3. to make a payment plus SSP, eg “If you are unable to work because of sickness, you will be entitled to a flat rate payment of £40 per week plus any entitlement you may have to SSP”.
- To whom the employee should report on return to work.
 - What kind of absence control measures the firm will take. There is an obligation to pay SSP as long as notification is made in the approved way and the employer believes the absence to be genuine. Where the employer has genuine grounds for doubt he/she may withhold payment. The right of an employer to insist that an employee is seen by a doctor nominated by the company will depend entirely on the provisions of the written terms and conditions of employment. If the right of the employer to insist is not specifically mentioned, then the employee can ‘lawfully’ refuse.
 - Penalties for mis-use of the sick pay scheme.
 - The right of the employer to ask employees to undertake other work rather than take time off, if they are temporarily unable to carry out their normal duties.
 - The identification of ‘trigger’ points which are applied consistently across the organisation. This should mean that when any employee has an absence record which ‘triggers’ concern, he/she is interviewed and if necessary cautioned about his/her excessive levels of absence. Many companies use this as a preliminary step to the full disciplinary process.

Contractual or non-contractual

It is important not to make sick pay a contractual right. The written terms and conditions of employment (‘the contract’) may contain a reference to ‘eligibility to sick pay in certain conditions’ and can refer the employee elsewhere for the details, eg the staff handbook. The policy should be worded to make it clear that sick pay, other than SSP, is at management’s discretion and should not be taken for granted. It should also make it clear that even where an employee might still expect to be paid while off sick, this in itself is not a protection against dismissal for lack of capability and that if an employee is thought to be abusing the scheme, he/she may be excluded from sick pay.

Variation of contract

Where sick pay is contractual, it can only be varied with the consent of the individual. Where it is given at the discretion of management, then management has the right to vary the terms (but should of course inform employees).

If management decides to vary a contractual arrangement, it is essential to get the consent of employees in writing. Unless this happens, the employer cannot be sure that the variation has been accepted.

6. THE PROCEDURE FOR MANAGING SHORT-TERM SICKNESS ABSENCE

The following procedure offers a sound base for managing sickness absence:

- If an employee is sick for 7 or fewer days, they should complete a 'return to work' form (self-certificate), setting out the reason why they were absent.
- You, the line manager, should interview the employee as soon as possible when they return to work, collect and countersign the self-certificate. Any decisions about pay should be noted.
- If the employee has been sick for more than 7 days, they should complete a self-certification form as above, and also submit a doctor's certificate to cover absences from the 8th day of sickness onwards. (This is 8 days of sickness, not absence from work, i.e. the period includes weekends and non-working days.) Details of the absence and any decision about pay should be noted. You should also carry out a return to work interview with these employees.

Trigger points

To prevent short-term absence from becoming a problem, you also need to review the frequency with which staff are absent. Organisations often find it useful to set trigger points at which action is taken in addition to the return to work interview. It is up to the organisation to decide what its trigger point will be, but once agreed, it is important that all line managers follow the policy to ensure that all employees are treated consistently.

The action usually consists of a formal interview with you as the employee's line manager, still, at this stage, outside the disciplinary procedure, to discuss the individual's level of absence and what can be done to reduce it.

Possible actions include:

- Persuading them to visit their doctor.
- Making an appointment for them with occupational health.
- Requiring all periods of sickness absence to be certified by a doctor.
- Agreeing flexible working on a temporary basis where this is feasible, given the nature of the employee's job. If this solution is arrived at, the line manager should make a note of the review date for flexible working and meet with the employee again on that date. The outcome might be either an agreement to extend the period of flexible working on a permanent or temporary basis, or a return to normal working.
- Addressing work issues if these are the underlying cause, eg stress, bullying or harassment.
- Removing the employee from further occupational sick pay until absence levels improve.