

INVEST EAST YORKSHIRE

Managing Absence

Introduction

Employee absence can be particularly challenging in a small and medium sized business (SME). With fewer employees, each team member often plays a key role, so any absence can significantly affect operations. After all, the tasks still need to be carried out which places added strain on other colleagues and impacts productivity.

Effectively managing absence is essential to ensure that you can track trends, understand their causes, and apply appropriate strategies to minimise disruption. This guide helps you explore how you can manage this effectively.

Types of Absence

Managing different types of absence is important to ensure that you have a means of recording and measuring trends for individual and groups of employees, whilst ensuring you are adopting the most appropriate strategies to deal with it. Understanding the different types of absence helps you adopt the right response for each situation:

1. Authorised absence

This type of absence is planned and allows you to prepare in advance. It is usually pre-arranged and scheduled. Examples include:

- Annual leave
- Maternity and paternity
- Medical appointments
- TOIL
- Training days
- Working from home

2. Unauthorised absence

Occasional unauthorised absence may not necessarily be a problem, however if this becomes persistent it will need to be addressed. Examples include

- Lateness
- Virtual unauthorised absence – not on teams or logging on to company systems remotely

3. Unplanned absence

This is unexpected requiring re-organisation or cover. It may need a range of strategies to manage on an individual basis. Examples include:

- **Sickness**
 - Short-term sickness absence typically refers to sickness or unplanned absence lasting from ½ a day up to four weeks. This can include minor illnesses, medical appointments, or other brief periods away from work. While short-term absences are often less disruptive, frequent occurrences can still impact productivity and should be monitored.
 - Long-term sickness anything over four weeks either as one occasion or linked periods identifying the same reason. These absences may arise from serious illnesses, recovery from surgery, or long-term health conditions, requiring more careful management to facilitate a smooth return to work.
- **Injury**
If an injury has occurred at work ensure you are following the requirements of [RIDDOR](#)
- **Domestic crisis**
Such as unexpected childcare issues, other caring responsibilities or a general domestic problem.

The Statistics

According to the Office of National Statistics:

- The percentage of working hours lost because of sickness or injury rose to 2.6% in 2022, an increase of 0.4% from 2021 and the highest it has been since 2004, when it was 2.7%.
- An estimated 185.6 million working days were lost because of sickness or injury in 2022; this level was a record high, but the number of days lost per worker, at 5.7, was not.
- The most common reason for sickness absence was minor illnesses, accounting for 29.3% of occurrences.
- All age groups experienced increases in their sickness absence rate in 2022.
- Groups with the highest rates of sickness absence in 2022 included women, older workers, those with long-term health conditions, people working part-time, and people working in care, leisure, or other service occupations.

Measuring Absence

Whether you have 1 employee or 100 it is important to measure and track absence to identify trends and take informed action. There are different ways to record and track absence:

- **Excel spreadsheets:** Simple and effective for small teams.
- **HR software:** Automated tools and systems can provide absence tracking, insights and flag concerning patterns through trigger points.

Key data to track includes:

- **Frequency:** How often an employee is absent.
- **Patterns:** Are absences regularly happening on Mondays or around holidays?

- **Reasons:** Identifying themes can help you address potential causes, such as a need for manual handling training if back problems are common.

On average SME business owners can lose £522 per employee per year due to untracked absence. If you have 10 employees that is £5220 lost on your bottom line.

Measuring absence allows you to identify trends and act when necessary. There are several methods to measure absence:

1. Bradford Factor

The Bradford Factor is a formula used to measure the impact of short-term, frequent absences. The formula is:

$$B = S^2 \times D$$

- **B** = Bradford Factor score
- **S** = Number of absence instances
- **D** = Total number of days absent

Example:

- Employee A has 6 separate absences totalling 10 days.
- Bradford Factor = $6^2 \times 10 = 360$.

The pros for using this method is that it highlights frequent, short-term absences which can be disruptive and it is easy to calculate and apply. The downside is that it can penalise employees with legitimate short-term absences (e.g., a chronic condition which could be classed as a disability under the Equality Act 2010).

2. Trigger Points

Trigger points are predefined thresholds of absence that prompt further action, such as a return-to-work interview or formal review. As an employee progresses through trigger points the penalties get more severe with first warning, final warning and dismissal. Example trigger points could include:

- 3 instances of absence within 6 months.
- 10 days of absence within 12 months.

This method provides clear guidelines for managing absence and helps identify problematic absence patterns. The downside is that it can lead to a 'one-size-fits-all' approach and may not account for individual circumstances.

3. Rolling Absence Rates

A rolling absence rate looks at absence over a continuous period, typically 12 months. This is calculated by:

$$(\text{Total days lost} / \text{Total available days}) \times 100$$

Example:

- 10 days lost / 260 working days = 3.8% absence rate.

This provides an ongoing measure of absence and helps track trends over time although it may not immediately highlight frequent short-term absences.

Sickness Absence Process

Broadly speaking, effective absence management is broken down into 3 main areas: -

1. Reporting
2. Keeping in touch with the employee
3. Return to work

Reporting

- Designate a clear contact point for reporting absence e.g. their manager / central admin function
- Record all absence details – a standard form can be helpful to streamline this!
- Remind employees of their responsibilities such as providing a fit for work note or keeping you informed
- Ask them to identify any work issues that need dealing with
- Make sure your policy requires the employee (or in exceptional cases a close relative) to notify you or the contact point directly usually by phone – no texts or third party messages.
- Allow for their manager to call back if need be.

Keep in touch

- Maintaining contact is really important, especially in long-term absence
- Regular communication can reduce the risk of a non-return from sickness
- Discuss what's happening workwise, their progress and prognosis, and pay status such as when statutory sick pay (SSP) is ending.
- Set out the requirements for contact
 - Short-term – Daily or on agreed key dates such as the first day and day before returning to work
 - Long-term – Weekly or as agreed

Return to work

- Conduct a return-to-work meeting in ALL cases. A form is a useful checklist of what to cover in the meeting. Please see an example at the end of this resource
- Check out their fitness to return – Fit notes can specify or recommend conditions such as phased return, amended duties or hours
- Assess any risks such as ongoing medication, fitness for duties, workplace adjustments or the need to be assessed by Occupational Health.
- Use this as an opportunity to address any absence patterns (you need to have the up-to-date sickness record) and reinforce the need for good attendance
- Catch up on any workplace events/changes

Handling short and long-term absence

As an employer, it's important to manage both short-term and long-term absences effectively and fairly. These practical steps will handle these situations in a way that supports your employees while safeguarding your business.

Short-term absence

Short-term absences typically last a few days and can arise from minor illnesses, medical appointments, or personal emergencies. To manage these effectively, it's essential to maintain clear and consistent procedures.

First, ensure that all absences are recorded, including the reason for the absence. Encourage your employees to complete a 'return-to-work' form or provide a self-certificate upon their return. This helps to keep accurate records and ensures that no absence goes unaccounted for. This will accompany your return to work interview.

Using measure such as trigger points can help identify when absences become a concern. For example, if an employee has three separate absences within a rolling 12-month period, it's a good time to have a conversation with them. This isn't about being punitive but understanding if there's an underlying issue affecting their attendance.

When the trigger point is reached, arrange a return-to-work interview or an absence review, regardless of how short the absence was. This gives the employee a chance to explain their absence and allows you to assess if further action is necessary. You may ask them to supply some kind of medical evidence. Where there is no medical evidence to support frequent self-certified absences, ask the employee to consult a doctor to establish whether medical treatment is necessary and whether the underlying reason for absence is work-related.

If there's no valid medical evidence to support frequent absences, you may need to ask the employee for permission to write to their doctor for further medical information. If there are no good reasons for the absences (and/or no medical evidence was not supplied), consider whether or not to deal with the matter under the disciplinary procedure.

It's also crucial to remain open-minded. Some absences may be linked to a disability or personal difficulties at home. In these cases, explore reasonable adjustments or flexible working arrangements to help the employee balance their work and personal life. Additionally, if the absence relates to dependants, remember that employees may have the right to time off under the Employment Rights Act 1996 (time off for dependents).

Always set clear expectations around attendance and be transparent about the consequences if improvements aren't made. Consistency is key to ensuring fairness across the business.

Long-term absence

Long-term absences, typically lasting more than four weeks, require a different approach. Supporting the employee while maintaining business operations can be challenging, but regular and clear communication is crucial.

If your policy allows, and the employee is comfortable with it, consider visiting them at home or in hospital to check on their progress. Alternatively, you can keep in touch via phone or email to offer support and stay updated on their recovery. Regularly responding to their medical certificates and asking about their health also shows you care about their wellbeing.

Ensure the employee remains informed about any major company updates, such as

newsletters or announcements, so they don't feel isolated during their absence. Additionally, communicate any changes to their sick pay entitlement. If their statutory sick pay (SSP) is nearing the 28-week limit, provide them with an SSP1 form in a timely manner.

Obtaining medical reports or seeking Occupational Health (OH) advice can help you understand the employee's condition and potential adjustments they might need upon their return. When they are ready to return to work, consider a phased return or any reasonable adjustments to their role, helping them transition back smoothly.

In some cases, if an employee is unable to return to work despite all reasonable adjustments, you may need to consider a capability dismissal. This should always be a last resort and handled carefully, ensuring you've followed a fair and documented process.

By managing both short-term and long-term absences with care and consistency, you can protect your business while fostering a supportive workplace for your employees.

Pregnancy related sickness

Pregnancy-related absences need to be managed with particular care and sensitivity to ensure compliance with the Equality Act 2010. Employees have the right not to be treated less favourably due to pregnancy, and any negative treatment could also amount to sex discrimination.

When an employee reports a pregnancy-related absence, always check on the reason for the sickness and seek medical advice or a fit-for-work note if necessary. It's important to make reasonable adjustments to their work environment if it can help them manage their condition or reduce absences.

Employees are also entitled to paid time off for maternity-related or ante-natal appointments. Ensure you facilitate this without any detriment to their role or position. Keeping open communication and showing understanding during this period helps create a supportive workplace and minimises potential legal risks.

By recognising pregnancy-related absences as protected under the law and making appropriate accommodations, you demonstrate your commitment to fair and inclusive workplace practices.

A word on the legals

As a business owner, it's crucial to understand your legal obligations when handling absences to ensure fair treatment and to protect your business from legal risks.

Dismissal for Absence: Dismissal may arise in two key situations – conduct or capability. If an employee fails to report their absence without good reason, you may consider disciplinary action and if it is persistent dismissal on the grounds of conduct. On the other hand, if the employee is unable to perform their job due to poor attendance or incapacity, this may lead to a dismissal based on capability. Always ensure you follow your absence management policy before proceeding with dismissal and seek medical and legal advice, or consult your HR professional first.

The Equality Act 2010: This act protects employees from discrimination based on protected characteristics, such as disability or pregnancy. If an employee's absence is related to a disability, you must consider making reasonable adjustments to their role or working environment. Additionally, be mindful of potential sex discrimination, especially in cases related to menopause or pregnancy-related absence.

Access to Medical Reports Act 1988: Before making any decision about dismissal, particularly on capability grounds, you should seek medical advice. This may include obtaining a medical report from the employee's doctor or involving an Occupational Health specialist to understand their ability to return to work. Ensure the employee consents to any medical report being obtained.

Follow Your Policy: Above all, always follow your company's absence management policy. This ensures a fair, consistent, and legally compliant approach to handling absences and any resulting dismissal. You can lose an unfair dismissal claim at a tribunal for simply not following your policy.

What to Include in an Absence Policy

A clear and comprehensive absence policy is essential for managing employee absences effectively. Your policy should include:

1.	<p>How employees should notify you in the event of being absent from work</p> <ul style="list-style-type: none"> • Contact line manager by phone • The time they need to report the absence by • Acceptability of text or phone messages • Should indicate how long they are going to be off work if possible • How to update you – daily or as arranged • What happens if they fail to report absence
2.	<p>What are the arrangements for pay</p> <ul style="list-style-type: none"> • Statutory sick pay only or an element of company sick pay (NB anything above SSP would be classed as company sick pay arrangements) • If offering company sick pay – are there any specific requirements to be awarded it e.g. length of service, they have met specific criteria such as having less than 3 separate occasions of sickness absence in the last rolling 12 months • A lot of sick pay policies offer discretionary company sick pay, but be mindful of discrimination in making a decision whether or not to pay company sick pay

3.	<p>Returning to work</p> <ul style="list-style-type: none"> • What happens when an employee returns to work i.e. a return to work interview to check on their welfare and bring them up to speed on what they have missed. • Specify when a self-certification form, fit note, or other medical evidence is required.
4.	<p>Types of absence</p> <ul style="list-style-type: none"> • You may have a process of managing short-term absence and long-term absence, this may include a series of review meetings. • Outline how you will support employees during long-term sickness absence, including regular contact and reasonable adjustments.
5.	<p>Absence monitoring</p> <ul style="list-style-type: none"> • You may specify how you intend to monitor absence and have a set of triggers in place which will kickstart a review process e.g. third occasion of sickness absence in a rolling 12 month period or cumulative absence of 10 days or more within a 12 month period. • You can identify what action you might take for specific absences such as Musculo-skeletal strains or work-related stress (may be very relevant in industries/roles where exposure to physical injury is high or the role is subject to stressful situations) • Set out the process for managing unauthorised absences or repeated short-term absences.
6.	<p>Access to medical reports/Occupational Health</p> <ul style="list-style-type: none"> • This may be relevant when dealing with persistent short-term absence or a long-term health condition to allow you to make informed decisions about reasonable adjustments to a role or to determine whether dismissal due to ill health (capability) is justified. • Explain when the company may seek medical evidence, including referrals to Occupational Health or getting employee consent under the Access to Medical Reports Act 1988.
7.	<p>Underlying health conditions/disabilities</p> <ul style="list-style-type: none"> • How you will deal with an individual's sickness record if they have underlying health conditions/disabilities. You may want to make reasonable adjustments to support them in sustaining improved attendance.

	<ul style="list-style-type: none"> • Highlight the company's obligations under the Equality Act 2010 and any additional support provided for disability or pregnancy related absences.
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Summary

Effective absence management boils down to clear policies, regular communication, and consistent processes.

- Measure and monitor absence to identify trends.
- Have clear reporting and return-to-work processes.
- Manage your process with short and long term absence when people hit the triggers.
- Offer support and reasonable adjustments where necessary.
- Consider flexible working options to reduce absence.
- Always follow your own absence policy and employment law to avoid legal complications.

Poor attendance can be indicative of other issues such as a long hours culture or the nature of the role means they are exposed to things affecting their health. Consider looking at other practices that can help improve attendance e.g. wellbeing practices or flexible working. You can look at temporary arrangements to support employees to improve their attendance such as reduced hours or working from home. By proactively managing absence, you can reduce its impact on your business while supporting your team's well-being. A clear, fair process benefits both your business and your employees – creating a healthier, more productive work environment.

Return to work - interview form

This form should be completed for all sickness-related absences from work.

Employee name	
Date of meeting	
First day of absence	
Last day of absence	

<p>Reason for absence</p> <p>Discuss and record reasons for absence.</p> <p>Is the employee confirming they are fit to return to work?</p> <p>Have any recommendations been made by their doctor in their Statement of Fitness to Work?</p> <p>Does the employee consider that they have an underlying or ongoing health issue?</p> <p>If yes, how, if at all, does this impact their capability at work and/or undertaking day-to-day activities?</p> <p>If there is an impact, have any reasonable adjustments been suggested and/or considered?</p> <p>If the absence was due to work-related stress, ensure that a stress risk assessment is completed.</p>
<p>Absence reporting</p> <p>Was the correct reporting procedure followed? Yes / No.</p> <p>If No - remind the employee of the procedure and detail below the shortfall, and what, if any further action will be taken.</p>

Review of absence record
<p>How many days or periods of absence has the employee had in the past 12 months?</p> <p>Is there a regular pattern of absence?</p> <p>Have they reached any trigger points for review? Yes / No.</p> <p>Is there a recurring problem?</p> <p>Any other issues?</p>
Summarise agreements and next steps
<p>.</p>

I understand that this information will be used for the purposes of recording and monitoring sickness absence.

Signed: (Employee)

Signed: (Line manager)

Absence logged on Company HR Information system for **absence recording and monitoring** (Yes / No)

Date:

This document is intended as a helpful guide and does not replace legal or HR expertise.

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