

Pay Circular (AforC) 2/2008

Managing Sickness Absence

To: all NHS Employers

Summary

This pay circular informs employers about agreed changes to Section 14 of the NHS Terms and Conditions of Service Handbook and introduces a supporting annex which provides an outline framework to support the management of sickness absence.

Action

1. Employers should consider the new arrangements set out in 14.9 in respect of any staff who are currently on long term sickness absence and have exhausted their sick pay entitlements.
2. Employers should note the discretions set out in 14.10 to reinstate a member of staff's period of sick pay beyond the scale set out in 14.2.
3. Employers should note that reference should be made to the payment of NHS Temporary Injury Allowance in 14.17 for staff who suffer from a workplace injury or disease.
4. Employers should consider the requirement to amend their local arrangements for the management of sickness absence, in partnership with local staff side representatives, to ensure consistency with the minimum standards set out in the supporting annex Z.
5. The new arrangements apply to all staff on Agenda for Change terms and conditions from 1 April 2008. Its application to other staff groups will be considered separately by the appropriate joint negotiating committees.

Management of sickness absence in the NHS

6. The management of sickness absence within the NHS is challenging, but provides opportunities to improve overall health and wellbeing in the workplace, which will ultimately boost organisational productivity and support service improvements for patients.
7. The changes to Section 14 of the Handbook and the introduction of the supporting annex have been agreed to ensure that locally agreed procedures allow for a series of reviews to be carried out to assess and monitor staff when they are off sick. All necessary review and decision dates should be set out in light of an individual's sick pay entitlements, ensuring staff are promptly reviewed before their sick pay ends. For those members of staff on long term absence this would culminate in a final review where a decision on the appropriate way forward is made i.e. return to work, redeployment or termination of contract.

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8. This agreement also encourages employers to identify appropriate ways of supporting staff to remain in work or return to work at the earliest opportunity through early intervention so that any appropriate treatment can be considered.
9. In recognition of the need for staff and employers to work together to effectively manage sickness absence the supporting annex sets out the key responsibilities of both parties. Underpinning this arrangement is the need to foster robust communication protocols for both staff and employers.

Enquiries

10. Employers should direct enquiries to: agendaforchange@nhsemployers.org
11. Employees should direct personal enquiries to their employer.

Further copies

12. Copies of this circular can be downloaded from: www.nhsemployers.org
13. A copy of the NHS Terms and Conditions of Service handbook can be downloaded from the NHS Employers website at the following web address
www.nhsemployers.org/payandconditions/agendaforchange.asp

Issued by



Director of pay, pensions and employment relations
and deputy director
NHS Employers

Appendix

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NHS Terms and Conditions of Service Handbook

1. The Changes made effective by this circular are:

Section 14: Sickness Absence has been revised. The old Section 14 should be destroyed as it is now redundant.

Implementation annexes

2. The following is a new entry:

Annex Z: Management of sickness absence

The detailed changes to Section 14 are:

3. The following words are added to the existing paragraph 14.1

This section is supplemented by Annex Z which sets out a framework to support employers and staff in the management of sickness absence and manage the risk of premature and unnecessary ill health retirements.

4. The following words are added to the existing 3rd bullet point paragraph 14.6

(England and Wales), the Criminal Injuries Compensation Authority (Scotland) and the Compensation Agency (Northern Ireland)

5. The existing paragraph 14.9 is replaced the following words

Sick pay for those who have exhausted sick pay entitlements should be reinstated at half pay, after 12 months of continuous sickness absence, in the following circumstances:

- **staff with more than 5 years reckonable service - sick pay will be reinstated if sick pay entitlement is exhausted before a final review meeting for long term absence has taken place.**
- **staff with less than 5 years reckonable service - sick pay will be reinstated if sick pay entitlement is exhausted and a final review does not take place within 12 months of the start of their sickness absence.**

Reinstatement of sick pay should continue until the final review meeting has taken place. Reinstatement of sick pay is not retrospective for any period of zero pay in the preceding 12 months of continuous absence.

These arrangements will be in accordance with local sickness absence procedures established in accordance with Annex Z and will only apply where the failure to undertake the final review meeting is due to delay by the employer. This provision will not apply where a review is delayed due to reasons other than those caused by the employer

6. A new paragraph has been inserted at 14.10 with the following words

Employers will have discretion to reinstate a member of staff's period of sick pay beyond the scale set out in 14.2

- **where there is the expectation of return to work in the short term and an extension would materially support a return and or assist recovery. Particular consideration should be given to those staff without full sick pay entitlements.**
- **in any other circumstance that the employer deems reasonable**

7. Existing paragraph 14.10 has been moved to 14.11 and replaced with the following words

During the rehabilitation period employers should allow employees to return to work on reduced hours or, where possible, be encouraged to work from home without loss of pay. Any such arrangements need to be consistent with statutory sick pay rules.

8. Existing paragraphs 14.11 to 14.15 become paragraphs **14.12 to 14.16**

9. A new paragraph has been inserted at 14.17 with the following words

Payment of NHS Temporary Injury Allowance for workplace injuries or disease should be in accordance with the NHS Injury Benefit Scheme regulations.