



Guide to managing absence

Employee absence is a significant cost to UK businesses. How much is it costing your business?

According to the Department of Work and Pensions:*

- around 130 million working days are lost each year to sickness absence in Great Britain
- around 960,000 employees each year experience one or more spells of long-term absence (over four weeks)
- employers pay £9 billion a year on sick pay and associated costs
- each year, the UK economy loses £15 billion due to sickness absence.

As well as the financial issues involved, absence can cause significant difficulties for employers, including:

- increasing the workload for staff who are at work, affecting their morale
- the cost of bringing in temporary replacement staff
- missed deadlines
- damaging relationships with clients.

In managing absence, employers need to work within the legal framework including the Equality Act 2010, the Health and Safety at Work Act 1974, the Employment Rights Act 1996 and the Data Protection Act 1998.

This brief guide covers some of the key points relating to managing absence but the expert advice of an employment law specialist, tailored to your particular circumstances, will always be of value.

“We’ll help you solve a tricky problem”

Key points

- A clear sickness absence policy will set out for employees their employer’s approach and expectations and enable employers to manage absences fairly and consistently.
- Recording sickness absence helps employers to accurately assess the nature and extent of such absences. The employer can then take steps to address the problem, for example, changing duties for employees affected by disability, or taking disciplinary action in relation to persistent short-term absences.
- Return-to-work interviews are a very useful tool for employers to identify and address absence problems.
- Employers should get employees to complete a self-certification form on returning to work after an absence through sickness of up to seven days, and will usually have their own version of this form.
- Employees must give their employer a doctor’s fit note if they are off work through illness for more than seven days.





- The note will say the employee is either not fit for work or may be fit for work. In the latter case, employers should discuss with the employee changes that might help them to return to work, such as reduced or different hours or tasks. The employee must be treated as not fit for work if there is no agreement on the changes.
- Employees receive Statutory Sick Pay (SSP) if they are too ill to work, which is paid by their employer for up to 28 weeks. The employee must have been off sick for four or more days in a row (including non-working days) to receive SSP. Employers can choose to pay more than SSP but cannot pay less.
- Statutory holiday entitlement continues to accrue, even when an employee is off work sick, no matter how long the absence may be. Any statutory holiday entitlement they do not use as a result of illness can be carried forward to their next leave year.
- In some circumstances if an employee is ill just before or during planned holiday, they can take sick leave and re-book their missed holiday at a later date.
- Keeping in touch with employees who are on long-term sick can be an important factor in helping them return to work. It is sensible for employers to make it clear to employees (for example, by including in the absence policy) why the employer will keep in touch with them during an absence, how often and by what methods.
- Making reasonable adjustments to working arrangements, premises, or jobs (on a temporary or permanent basis) can enable employees to maximise attendance and productivity, e.g. where medication has side effects on an individual's stamina, mood and concentration levels, affecting their ability to do certain tasks.
- An employee may wish to consider dismissing an employee who is long-term sick, particularly where there is little prospect of a return to work and the business needs to replace them. However, legal and medical advice should be sought and a fair procedure followed.
- The employee can take their case to an employment tribunal if they believe they have a case for unfair dismissal, if they have been employed for two years or more. They may also have a claim for disability discrimination, which does not require a minimum length of service.
- Before an employer can dismiss an employee on long-term sickness absence, they should obtain a medical report and discuss with the employee if their health will improve and when they could return to work. Employers should look at ways to help the employee return to work, e.g. working flexibly or part-time, doing different or less stressful work, with training if necessary.
- Dismissals due to ill health are complex and can be risky from a legal point of view, so it is a sensible step for employers to talk to an employment lawyer.

Contact us for advice

The specialist employment team at our firm can assist you with all employment-related matters including managing absence.

Although helpful, the brief information included in this document is intended as a guide only and does not constitute legal advice. For more detailed information regarding any of the matters raised in this guide, tailored to suit your specific circumstances, please contact Amanda Hyam.



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