

# SICKNESS ABSENCE POLICY

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## 5.1 Introduction

Renishaw operates a comprehensive, discretionary, sickness support programme for employees who become ill or injured. The scheme however is discretionary, with payment dependent on the circumstances of each case and whether the employee has correctly adhered to procedures.

This policy currently applies to all full and part-time permanent employees. It is also intended to be a reference tool for those responsible for managing employees' sickness and absence.

## 5.2 Aims

This policy aims to outline the entitlements and obligations of employees who are absent from work due to sickness. Employees are advised to read and familiarise themselves with this policy.

## 5.3 Definition of Sickness Absence

Sickness absence is defined as absence as a result of the employee's own illness or injury. Sick pay will not be paid in the case of illness of, or injury to, any other person, including members of the employee's family

Pregnant employees who are absent due to a pregnancy related illness, will be paid sick pay unless or until their maternity leave starts or is triggered by the company in accordance with current legal guidelines (i.e. you will either receive sick pay or maternity benefit, whichever is applicable).

Employees are not entitled to payment from the company sick pay scheme for injuries or illness sustained during or as a result of work as a self employed person or any third party other than Renishaw plc.

## 5.4 Entitlements

Entitlement to payment under this scheme is dependent on the following criteria being met:

- You are genuinely unable to attend work in any capacity due to sickness or injury;
- You are an employee within the definition as defined in the introduction;
- You have followed the procedures for notification and provided a medical certificate(s), where appropriate.

Entitlements are as follows:

- Employees with **less than 5 years' service**  
13 weeks on full pay followed by 13 weeks at half pay;
- Employees with **more than 5 years' service**  
26 weeks at full pay.

Payment will be calculated on basic earnings (normally 37 hours per week). **This calculation will not include payment for overtime or shift allowance.** In the case of employees working less than 37 hours payment will be based on their appropriate pro-rata weekly earnings.

Employees with less than 5 years' service at the start of their sickness absence will continue to receive sickness payments on the basis of having less than 5 years' service (as defined above).

There will be no payment of company sick pay for days which are statutory or public holidays. On these days the employee will receive entitlement to holiday pay as outlined in their Offer Letter/Contract of Employment.

Employees will not be entitled to company sick pay for any period of incapacity caused wholly or partly **by the act or default of any other person outside of the normal working environment.** However, if necessary, the company will advance payments equivalent to the total amount of sickness absence by way of a loan, such sums being repayable to the company if, and to the extent that, damages are recovered for loss of earnings.

Following an industrial accident, sustained whilst carrying out normal working practices at Renishaw, full payment for sickness absence as detailed above will be forthcoming. In addition to this, shift allowance (if applicable) will be paid.

## 5.5 Entitlement to Statutory Sick Pay (SSP)

Renishaw's sick pay incorporates any Statutory Sick Pay (SSP) amounts to which an employee is entitled. In other words, as payments for sickness absence under the company's scheme will amount to more than the current rate of SSP, Renishaw does not have to pay this as well. Note: Both sick pay and SSP are subject to tax and national insurance contributions.

## 5.6 Notification Procedure

Payment for sickness absence will be made for periods of absence providing that;

- You, or if you are physically unable to, a member of your family, have informed your immediate Manager (or the next most senior person in his/her absence) that you are sick or injured within one hour of your normal starting time on the **FIRST** day of absence. For absences longer than one day, but less than the certification period detailed below, employees must contact their manager by telephone on a daily basis.
- For absences of **up to** seven calendar days, you will be required to attend a Return to Work Interview conducted by your Manager (or the next most senior person in his/her absence) on your return. A Return to Work Interview Form will also be completed by the Manager and must be signed by you. Please note that, payment for absence will be made on the merits of each individual case. Misleading information may result in disciplinary action.
- For absence of **more than** seven calendar days you will be required to forward a medical certificate (i.e. Doctor's note) covering this period to the Departmental Manager. Employees must ensure that sick notes are correctly completed and signed on the reverse before submission. **The Manager (or the next most senior person in his/her absence) must view, countersign and date the medical certificate prior to it being forwarded to the Personnel Department.** Further medical certificates will be required at regular intervals to cover extended absences and payment for sickness absence may not be made unless/until they are received.
- On your return to work you will also be required to attend a Return to Work Interview as detailed above.

Note: A medical certificate in itself does not constitute an automatic right to payment for the period of sickness.

Please remember that you are required to remain in regular contact (at least once a week) with your Manager during sickness absence, in writing or by telephone. Medical certificate renewals should be forwarded to the Departmental Manager as soon as they are available.

### 5.7 Effect of Absence on Pay

If absences persist beyond the continuous 26-week payment entitlement period, sick pay will cease and the company's Permanent Health Insurance Scheme (PHI) may come into force. (See section on Continuous Long-term Ill Health Monitoring Procedure). **Note: Eligibility to benefit from the PHI scheme is not automatic.** It is operated by a third party insurer (not Renishaw) and is therefore subject to their application procedure, eligibility criteria and correct completion of the relevant documentation.

### 5.8 Effect of Absence on Holiday Entitlement

Company paid sickness absence will not affect accrual of annual holiday entitlement.



## Sickness Absence Policy

Where an employee falls sick during a paid holiday period the holiday leave cannot be reclaimed on return to work.

Example: An employee is on holiday for 5 days and becomes sick on the second day of the holiday. Therefore the remaining three days holiday cannot be reclaimed on return to work.

Employees who fall sick before a pre-booked holiday, will normally be able to reclaim their holiday entitlement where the holiday is cancelled due to sickness. However, employees who fall sick immediately preceding their holiday, will not be able to re-claim their holiday entitlement without producing a valid medical certificate covering the period of sickness absence.

The Personnel Department should be contacted in cases where an employee has had extensive sickness absence during the year which has made it difficult to schedule their annual leave regarding arrangements for taking outstanding entitlement.

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## 5.9 Absence Monitoring

Following each absence, Managers (or the next most senior person in his/her absence) will conduct a Return to Work Interview with the employee and complete a Return to Work Interview Form (which will be forwarded to the Personnel Department). Following this the company will calculate, on each occasion of absence, the number and pattern of absences in the last, rolling, 52 week period. The company will then decide whether payment under the current Sickness Absence Policy is due.

This information will then be fed back to the relevant Manager who, in instances where absences are excessive, will counsel or discipline the employee, depending on the circumstances.

This could involve the company:

- Requiring the employee in to see the Company Doctor;
- Seeking independent medical advice;

- Seeking permission for the Company Doctor to contact the employee's G.P. to establish the main reason for absence (all information will be treated with the utmost confidentiality and will only be passed between the two Doctors concerned);
- Visiting the employee at home;
- Suspending payment of salary, at the company's discretion.

## 5.10 Long term Ill Health Monitoring Procedure

### Introduction

Renishaw is supportive of those employees who have been continuously absent due to genuine illness or injury. The aim of this procedure is to ensure that Renishaw and the employee continue to keep in contact so that information regarding the employee's situation can be passed freely between parties.



## Procedure

As continued payment under the scheme is dependent on employees (or if they are physically unable to, a third party) remaining in contact with their Manager (or next most senior person) on a weekly basis. Records must be kept by Managers regarding this contact.

As a guideline, the following must be recorded as a diary note:

- Date and time of contact;
- Details of any significant developments, for better or worse;
- Estimated date of return to work (if available).

If there are concerns regarding the absence, the Personnel Department must be contacted as soon as possible for advice.

**Note: Managers are reminded that any information recorded must be treated as strictly private and confidential.**

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The Personnel Department, via the Company Doctor, has various support mechanisms at its disposal in order to assist employees with their return to work/rehabilitation.

### 5.11 General Guidelines

Renishaw also reserves the right to do the following:

- Where procedures are not followed, or if Return to Work Interview Forms and/or medical certificates are not provided to cover a period of sickness absence, the company may suspend or withdraw payment for that period;
- Any employee who has been absent from work due to sickness may be required to attend an examination by the Company Doctor. The company may also, with the employee's consent, request a medical report from the employee's own Doctor.

- Following any Return to Work Interviews, the company will consider whether or not any reasonable adjustments may need to be made to the employee's existing role or working environment.
- Any employees found to be abusing the system may be subject to disciplinary action in accordance with normal procedures.
- Any data relating to medical conditions/treatment must be regarded as 'sensitive personal data' and as such will not be disclosed without prior permission from the individual concerned.
- Each absence should be reviewed on an individual basis to ensure that the Sickness Absence Policy is applied in a fair and equitable manner. Payments under the scheme are not automatic and the Personnel Department will review all return to work interview forms and may, on occasions, refuse payment if it is found that the absence is not genuine.
- Renishaw reserves the right to amend the scheme as necessary to deal with individual circumstances or situations.
- Renishaw also reserves the right to suspend payment and remove entitlement from the scheme in certain circumstances.
- If, following a sustained period of illness or injury, an individual declines an offer of a modified role or working practice (temporary or permanent) to suit their medical condition, Renishaw reserves the right to suspend/withdraw payment or terminate employment.

## 5.12 Permanent Health Insurance Scheme (PHI)

### Introduction

Please be aware that Renishaw has no contractual obligation to either supply or honour payment of this benefit. This benefit is an insured benefit by a third party provider and, as such, acceptance on to the PHI scheme is subject to the rules and conditions of the scheme in operation at the time a claim is made. It is possible that the rules of the scheme may vary, depending on which third party is providing the benefit.

The company's sickness absence policy supports employees for up to 26 weeks' sickness after which a decision, based on medical advice, will be taken to establish whether an eventual return to work is likely.

## Sickness Absence Policy

Successful applications are designed to provide eligible employees with a regular income in the event of serious illness/injury, which has resulted in more than 26 weeks' continuous sickness absence.

Should employees be refused acceptance on to the PHI scheme and they refuse to resume either their normal duties or a role modified, as far as is reasonably practicable, to accommodate their medical condition, their employment will be terminated.

### **Who is eligible?**

Permanent employees who work at least 15 hours per week and are over 16 years of age.

### **The benefit**

Provided that your application for Permanent Health Insurance (PHI) is accepted by the insurer the annual amount payable shall be half your pensionable salary at the time of disablement. It will also take into account benefits from other sources so that the total benefit does not exceed the limit for earnings as defined by the current legal guidelines.

The benefit is payable in accordance with the current insurer's terms and conditions. If you require more information, please contact the Personnel Department.