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Meeting	Customer and Corporate Services Scrutiny Management Committee (Calling In)
Date	5 November 2018
Present	Councillors Williams (Chair), Galvin (Vice-Chair), D'Agorne, Fenton, Gates, Looker, Reid, Rawlings (Substitute for Councillor Brooks) and Pavlovic (Substitute for Councillor N Barnes)
Apologies	Councillors N Barnes and Brooks

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#### **4. Declarations Of Interest**

Members were asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests that they had in respect of business on this agenda. None were declared.

#### **5. Public Participation**

It was reported that there had been one registration to speak under the Council's public participation scheme.

Andrea Dudding, Lead Convenor & Branch Secretary UNISON, spoke in support of the call-in. She stated that the union were supportive of a more positive and pro-active approach being taken toward sickness absence and also welcomed the comments made by the call-in Members. She highlighted the union's concerns that an external service could not manage the long term cultural changes and support they felt were needed. Finally she stated that there should have been more engagement with the unions before the report was produced.

#### **6. Called-In Item Post Decision: Attendance Management and Wellbeing**

Members considered a report which set out the reasons for the call-in and the role of the Committee, together with options available to it under the agreed post-decision call-in arrangements. In accordance with those arrangements

Councillors Myers, Boyce and Crawshaw (Labour Group) and Councillors Craghill, D'Agorne and D Taylor (Green Group) had called in the above item for the following reasons:

#### Labour Group

- The report provides insufficient detail on the root causes of stress related absence as the biggest cause of work-related absence at the council. This information is essential to determine the appropriate response;
- The omission from the report of historic rates of absence over an extended period and the interplay with factors such as shrinking budgets, also prevents a thorough understanding of, and response to, the sickness absence issue;
- Some analysis of the council's previous experience of contracting an external provider to help manage adult social care staff absence is missing from the report;
- An under-resourced central HR function means the preferred proposal cannot be compared against internal efforts to address the problem because the latter have not been resourced, contrary to the Executive Leader's assertion; and
- The Executive Member for Culture, Leisure and Tourism's expressed concerns about 'financially incentivising companies to drive people back to work' in cases of stress-related absences not being 'the type of approach that is appropriate for people in this situation' has not been adequately addressed in taking this decision, given the new model is predicated on exactly this approach.

#### Green Group

- We believe the Executive should revisit its decision to support Option 2 rather than Option 1 and should reconsider recruiting an in-house dedicated team to address problems associated with the current levels of sickness absence in the authority.
- It should also reconsider what an appropriate brief should be for such a dedicated team. The current decision commits the Council to taking a target based approach to reducing sickness absence without any apparent consideration of what the root causes of current sickness absence levels might be. It commits the authority to taking an enforcement based approach which aims to set up

every manager in a policing role with their 'performance' based on meeting targets and the likelihood that a remote private company will be bullying staff who are ill into returning to work 'at the earliest opportunity'. We believe the brief for a dedicated team should not initially include specific targets but should begin with a requirement to listen confidentially to all staff, to review work demands against current capacities and to support and empower managers to come up with options for work programmes that can be delivered with existing resources in reasonable timescales.

They added:

- We know that following a 40% cut to Council budgets many Officers in the authority are still attempting to cover 2 – 3 jobs or even more and it would not be surprising if levels of sickness absence were related to this situation. Mindfulness classes and a table tennis table are not going to make a significant impact unless we also address the root problems of an authority that is becoming increasingly dysfunctional. Staff are attempting to cover much of the same work their teams were doing before and in many cases the only guidance on priorities comes from whoever shouts loudest. This is increasingly frustrating both for staff and the public. Part of the brief for a dedicated team should indeed include looking at positive ways of improving support for staff who have been sick and are ready to return to work, but the key part of the brief should be about getting down to the root causes and coming up with recommendations for change.

Councillor Crawshaw spoke first, on behalf of the Labour call-in Members. He stated that they had called in this decision as they did not feel the report to Executive contained all of the information they needed to make an informed decision on a sensitive issue. He stated that the reasons for current levels of sickness absence were complex, but the Council had lost over 800 staff since 2010 and budget cuts had caused significant staffing and management issues, meaning that Officers were being asked to cover more work with no additional resources. This, understandably, left the public frustrated when services were not running effectively. Inevitably, this was causing mental health issues and reduced productivity. The Labour group felt that any new initiative should be focused on supporting staff, not

merely on bringing down absence figures. Finally, he stated that inviting in an external company could potentially exacerbate stress levels in staff who already had mental health issues.

In response to questions he stated:

- The Labour Group would favour internal delivery over outsourcing, but the key message of their call-in was lack of detail in a report on such a significant issue. They would support Option 2 of the Executive report;
- A decision like this should be based on evidence, and this report merely cited one provider's 'sales pitch' as to how they could reduce absence figures, with nothing to back this up;
- The Labour and Green 'Call-ins' could work together;
- Expanding the capacity of the internal HR department would be a more effective way to make long-term savings; and
- The capacity of line managers to deal with their teams' absence was a major issue. If people had an unmanageable workload then managing these issues was almost impossible. Efforts needed to be made to give capacity back to managers.

Councillor D Taylor the spoke, on behalf of the Green call-in Members. He stated that the intention to reduce sickness absence by a third, in line with the public sector, seemed a spurious target. He said that the number of days lost was not rising, rather it was fluctuating with the seasons, and was currently the lowest it had been for some time. This would suggest reducing figures by a third may not be viable, and trying to do so could make the situation worse. He suggested that it was possible new measures could damage relationships between staff and managers, and even force staff out of work. Finally, he stated that this money would be better spent employing expert staff within the CYC HR team to support staff and line managers.

In response to questions he stated:

- It was concerning that people may feel pressured to come back to work too early after injury or illness, causing a more significant problem in the long term;
- Team work may suffer if relationships between staff and managers were damaged by new measures;

- A spike in sickness figures over the past year did not constitute an upward trend; and
- The group objected to both the decision to outsource the service, and the premise on which the decision had been made.

The Executive Leader (inc. Finance and Performance) attended the meeting to answer questions. In response to the points made by the call-in Members he stated that the Executive did not wish to 'bully' people back to work and they recognised that some areas had higher absence figures than others, for a variety of reasons. He stated that he did accept the current system for dealing with sickness absence had not been as well funded as this service would be, and that there could have been better engagement with unions over the proposals. He went on to state that there had been much said so far about stress, but there were many other reasons for sickness. The Council also had duty to consider those who were regularly covering for those off sick.

In response to questions from Members he stated:

- A professional outside agency could train and up-skill the CYC HR team and managers over the period of the contract, they would not be working in isolation;
- A two year contract could not be considered a 'quick fix';
- There would be safeguards in place to ensure there were no incentives for pushing staff back to work too early;
- The financial loss from days lost to sickness did have a significant impact, and making savings was a consideration; and
- Using internal staff had not worked in reducing sickness absence up to now and this was some of the rationale for bringing in an external team.

The Corporate Director of Customer and Corporate Services and Head of HR attended the meeting to answer Member questions. In response to some of these questions they stated:

- Social Care had some previous external support for this issue previously which had led to a reduction in absence in that area;
- Choosing an external team over recruiting fixed term CYC employees was partly due to the speed in which an external team could be procured;

- It could take up to 5 months to recruit an internal team, given the specialist nature of the role. A complicating factor was that there was only 2 years funding agreed and it was much harder to recruit to a fixed term contract;
- There were several companies who provided such a service who would all be able to provide testimonials. Looking at these would be part of the tendering process;
- Unions, alongside managers from areas with high sickness levels, would be involved in the procurement process;
- Sickness rates varied greatly across departments and this was a complex picture. More analysis would be done, in particular looking at departments with very low absence rates. However, it was important to note the wide ranging nature of roles within the Council, some of which were very physical or high stress jobs;
- The initial 'call centre' approach was only one aspect of a whole package of measures to be used. This would not be a faceless service, but would work alongside line managers; and
- The service would be reviewed in 2019/20 and decisions made about long term funding.

Members then debated the 'call-in' fully and considered the options outlined in the report, namely whether to make any formal comments to the Executive or not.

Some Members highlighted that sickness absence had been an ongoing problem at CYC for many years and felt this decision was a much needed move forward in tackling significant financial cost to the Council. They therefore felt it was important not to delay this any further. They also suggested that there was benefit to bringing in outside experts to tackle issues which internal staff had historically struggled to manage.

Conversely, several other Members felt strongly that this new service could have a detrimental effect on staff and therefore creating an internal wellbeing team with this budget would be far more worthwhile in the long term. They expressed their concern that the chosen option was merely a short term fix.

An amendment was moved to Option A in the report to add:

2. That Executive bring details of the procurement process, including safeguards, to a future CSMC meeting

On being put to the vote this amendment was carried. It was therefore

Resolved:

1. That there were no grounds to make specific recommendations to the Executive in respect of the report. The original decision taken on the item by the Executive on 18 October 2018 will be confirmed and would take effect from the date of the CSMC (Calling-In) meeting
2. That Executive bring details of the procurement process, including safeguards, to a future CSMC meeting

Reason: To enable the called-in matter to be dealt with efficiently and in accordance with the requirements of the Council's Constitution.

Cllr D Williams, Chair

[The meeting started at 6.00 pm and finished at 8.10 pm].