



**Notice of a public meeting of
Customer and Corporate Services Scrutiny Management
Committee (Calling In)**

To: Councillors Williams (Chair), Galvin (Vice-Chair),
N Barnes, Brooks, D'Agorne, Fenton, Gates, Looker and
Reid

Date: Monday, 5 November 2018

Time: 6.00 pm

Venue: The Thornton Room - Ground Floor, West Offices (G039)

A G E N D A

1. Declarations of Interest

At this point, Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

2. Public Participation

It is at this point in the meeting that members of the public who have registered to speak can do so. The deadline for registering is **5.00pm on Friday 2 November 2018**. Members of the public can speak on agenda items or matters within the remit of the committee.

To register to speak please contact the Democracy Officer for the meeting, on the details at the foot of the agenda.

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Please note that, subject to available resources, this meeting will be filmed and webcast, or recorded, including any registered public speakers who have given their permission. The broadcast can be viewed at <http://www.york.gov.uk/webcasts> or, if sound recorded, this will be uploaded onto the Council's website following the meeting.

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The Council's protocol on Webcasting, Filming & Recording of Meetings ensures that these practices are carried out in a manner both respectful to the conduct of the meeting and all those present. It can be viewed at http://www.york.gov.uk/download/downloads/id/11406/protocol_for_webcasting_filming_and_recording_of_council_meetings_20160809.pdf

3. Called-in Item Post Decision: Attendance (Pages 1 - 20) Management and Wellbeing

To consider the decision made by the Executive at a meeting held on 18 October 2018 in relation to the above item, which has been called in by Councillors Myers, Boyce and Crawshaw (Labour) and Councillors Craghill, D'Agorne and Taylor (Green) in accordance with the Council's Constitution. A cover report is attached setting out the reasons for the call-in and the remit and powers of the Customer & Corporate Services Scrutiny Management Committee (Calling-In) in relation to the call-in, together with the original report and the decision of the Executive.

4. Urgent Business

Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

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For more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports and
- For receiving reports in other formats

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 (01904) 551550

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**Customer and Corporate Services Scrutiny
Management Committee****5 November 2018**

Report of the Assistant Director – Legal & Governance

Called-in Item Post-Decision: Attendance Management and Wellbeing**Summary**

1. This report sets out the reasons for the post-decision call-in of the decisions made by the Executive on 18 October 2018 in respect of Attendance Management and Wellbeing, which are set out in Annex 1. This report sets out the powers and role of the Customer and Corporate Services Scrutiny management Committee (Calling-In) in relation to dealing with the call-in.

Background

2. An extract from the Decision Sheet issued after the Executive meeting is attached as Annex 1 to this report. This sets out the decisions taken by the Executive on the called-in item. The original report to the Executive on 18 October 2018 is attached as Annex 2 to this report.
3. The Executive decisions have been called in post decision by two groups of Councillors for review by the Customer and Corporate Services Scrutiny Management Committee (Calling-In) in accordance with the Constitutional requirements for call-in.
4. Firstly, Councillors D Myers, Boyce and Crawshaw have called in the Executive decision for the following reasons:
 - *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;*
- *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.*

5. Additionally Councillors Craghill, D Taylor and D'Agorne have also called in the same Executive decision for the following reasons:

- *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.*

6. Councillors Craghill, D Taylor and D'Agorne add:

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.

Consultation

7. In accordance with the requirements of the Constitution, one representative from each Group of calling-in Members have been invited to attend and/or speak at the Call-in meeting, as appropriate.

Options

8. The following options are available to CSMC (Calling-In) Members in relation to dealing with this post decision call-in, in accordance with the constitutional and legal requirements under the Local Government Act 2000:
- a) To decide that there are no ground to make specific recommendations to the Executive in respect of the report. If this option is chosen, the original decision taken on the item by the Executive on 18 October 2018 will be confirmed and will take effect from the date of the CSMC (Calling-in) meeting; or
 - b) To make specific recommendations to the Executive of the report, in light of the reasons given for post-decision call-in. If this option is chosen the matter will be considered by the Executive at a meeting of Executive (Calling-In) to be held on 29 November 2018.

Analysis

9. Members need to consider the reasons for call-in and the report to the Executive and form a view on whether there is a basis to make specific recommendations to the Executive in respect of the item called in.

Council Plan

10. There are no direct implications for this call-in in relation to the delivery of the Council Plan and its priorities for 2015-19.

Implications

11. There are no known Financial, HR, Legal, Property, Equalities, or Crime and Disorder implications in relation to the following in terms of dealing with the specific matter before Members; namely, to determine and handle the call-in.

Risk Management

12. There are no risk management implications associated with the call in of this matter.

Recommendations

13. Members are asked to consider all the reasons for calling-in this decision and decide whether they wish to confirm the decisions made by the Executive or refer the matter back for reconsideration and make specific recommendations on the report to Executive.

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

Contact Details

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Report Approved Date 25/10/2018

Wards Affected:

All

For further information please contact the author of the report

Annexes

Annex 1 – Extract from the Decision Sheet produced following the Executive meeting on the called-in item

Annex 2 – Report of the Chief Executive and the Director of Corporate Services on Attendance Management and Wellbeing.

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Executive

Thursday, 18 October 2018

Decisions

Set out below is a summary of the decisions taken at the Executive meeting held on Thursday, 18 October 2018. The wording used does not necessarily reflect the actual wording that will appear in the minutes.

Members are reminded that, should they wish to call in a decision, notice must be given to Democracy Support Group no later than 4pm on the second working day after this meeting. Please note that item 10 on the list is a recommendation to Council and cannot be called in.

If you have any queries about any matters referred to in this decision sheet please contact Fiona Young.

7. Attendance Management and Well Being

Resolved: (i) That approval be given to engage with an external provider, as outlined in Option 2, to provide a dedicated service (selected through the council's procurement process) for a 2 year period, to reduce sickness absence.

(ii) That the use of £180k from the council's venture fund be authorised for this purpose.

Reason: To support the council in achieving a one-third reduction in its sickness absence rates by April 2021 and to transfer skills and knowledge to internal managers during this period.

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Executive**18 October 2018**

Report of the Chief Executive and Director of Corporate Services

Portfolio of the Executive Leader (incorporating Finance & Performance)

Attendance Management & Well Being**Summary**

1. This report provides an update on the activities ongoing within the authority to actively manage attendance and support well being across the Council.
2. Executive are asked to support a dedicated team for a temporary two year period to achieve a reduction in absence levels.

Recommendations

3. Executive is asked to approve:
 - 1) To support the additional resource identified to engage with an external provider, to provide a dedicated services,(selected through the Council's procurement process), on a 2 year period to reduce sickness absence.
 - 2) To authorise £180k from the Council's venture fund.

Reason: to support the Council in achieving a reduction in its sickness absence rates by a third by April 2021 and to transfer skills and knowledge during this period to internal managers.

Background

4. The Council recognises its role in being a good employer, with a range of support given to employees in respect of their wellbeing. One of the key issues for the Council is ensuring that employee's health is supported, and that staff are able to fulfil their duties

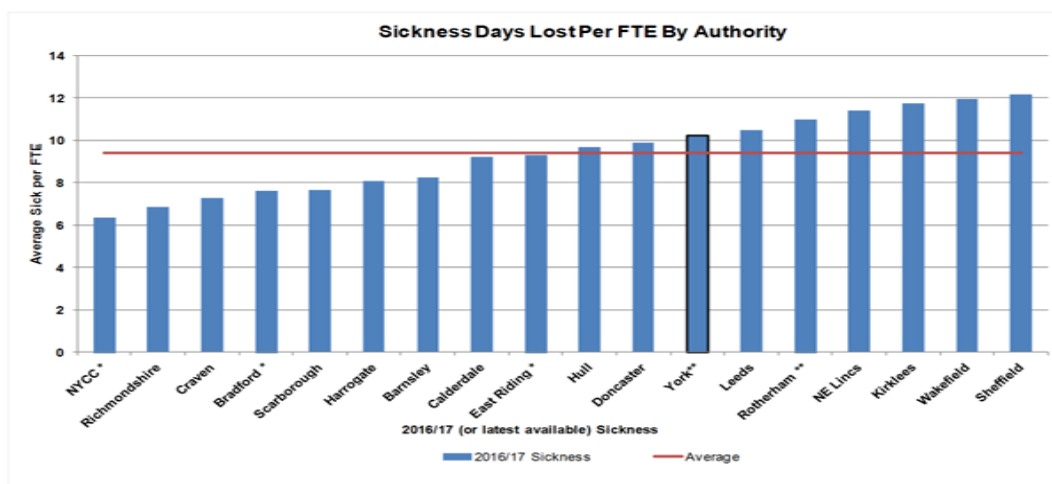
effectively. Alongside this the Council needs to ensure that absence from work is managed effectively in line with HR procedures.

5. The authority does a range of interventions relating to absence management, and has introduced some additional well-being activities to support staff returning to work sooner and actively improving life style to help maintain attendance at work. These activities include additional training for staff to identify issues sooner, disability awareness and training to managers to handle difficult conversations. Well-being initiatives commencing over the past 9 months, during lunch time and after work and led by employees include running and walking clubs, mindfulness sessions, board games, table tennis and gardening to name a few. These are well attended but we are trying to encourage more.
6. The council has an occupational health provider, employee assistance programme and osteopath services, again to support staff in returning to work sooner.
7. The Chief Executive introduced a cost control environment over a year ago, enabling an environment with additional control at the top of the authority. The cost control group (Chief Executive and Corporate Directors, supported by Head of HR and Head of Business Intelligence) identify and track the key issues affecting the costs to the authority, linked specifically to staffing, from analysing data on sickness absence, additional payments and the use of agency staff.
8. Human Resources staff provide support direct to line managers in supporting attendance management and well-being.
9. Despite the above measures, as set out below, sickness levels have increased in 17/18. As a result, as set out in this report, there is a need to tackle this increase, and to seek to bring overall sickness down, thereby reducing the costs that can arise from sickness.
10. Sickness absence figures are reported on a quarterly basis through the Finance and Performance reports. Data has been scrutinised at numerous levels across the authority from Directorates, Corporate Management team, Scrutiny Committee and portfolio holders.

11. Scrutiny committee have received reports on this issue and are continuing to monitor on a six monthly basis. They are supportive of a more proactive approach to reduce sickness absence.

Analysis

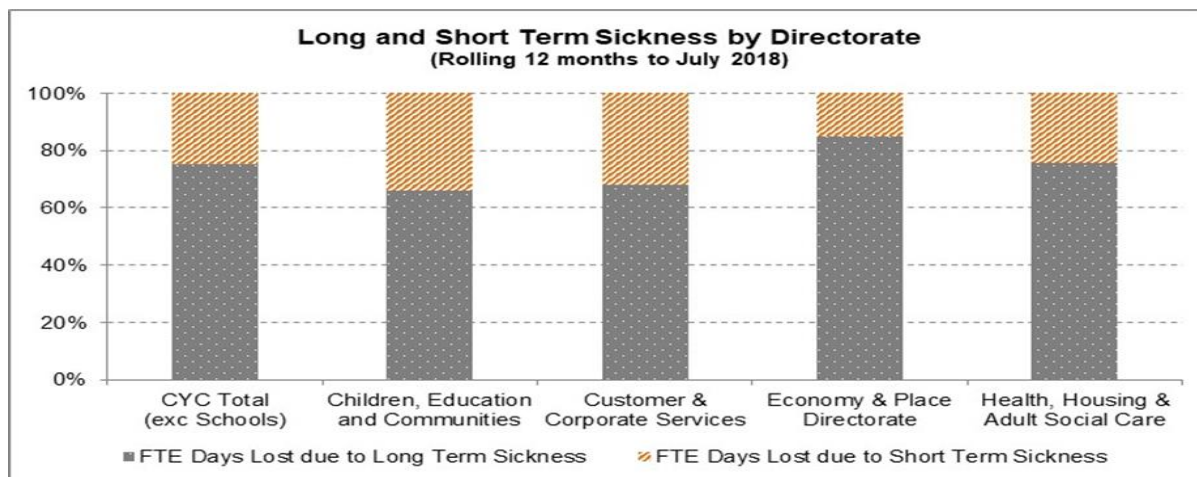
12. Sickness absence figures are increasing at CYC from 10.2 days (rolling 12 month fte) in 16/17 to 11.5 days 17/18. It should be noted that the public sector average, as reported by the Chartered Institute of Personnel and Development (CIPD, 2018 Health and Wellbeing Survey), is 8.5 days.
13. There is variation in the levels of sickness absence across Directorates. Appendix 1 shows a further breakdown. Economy and Place (E&P) and Health, Housing and Adult Social Care (HHASC) have the highest levels, with Customer and Corporate services having the lowest sickness levels overall with an average of 8.5 days. There are a number of teams in the Council where sickness is very low. However there are conversely areas where levels are around twice the Council overall average, and levels are increasing. Waste services are an example of this whereby the service area the team has high sickness rates and have seen increases over the last two years.
14. During 2017/2018 23,000 working days were lost to sickness absence.
15. The graph below shows our sickness days lost in comparison to other authorities. It should be noted that some of the authorities with lower figures are district Councils who do not have the range of services provided by York. (These are 2016/17 figures)



16. 80% of the authority's absence is related to long term sickness. The top two reasons for long term sick are stress related (32%) and muscular-skeletal (20%), with a number of other reasons making up the remainder of long term sick.
17. It is recognised that there are many long term absences related to terminal illnesses including cancer. The council is committed to supporting all staff who find themselves off work due to any absence reason and consider numerous avenues to support an early return to work or to consider alternative options with individuals.
18. The table below shows further data across each month on long term and short term, both from days lost to number of individuals.

CYC (excluding Schools) Sickness Absence												
	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
FTE Days Lost due to Long Term Sickness	1309	1578	1390	1408	1437	1877	1697	1612	1498	1450	1259	1343
FTE Days Lost due to Short Term Sickness	326	325	401	447	328	530	722	687	752	454	492	428
Number absent due to Long Term Sickness	96	101	108	103	94	122	108	115	92	103	101	103
Number absent due to Short Term Sickness	123	104	136	155	142	195	208	217	183	123	109	108

19. **On average in a month we have around 103 people off on long term sick and around 150 people on average reporting short term sickness.**



20. The Health and Well Being at Work Report, published by the CIPD in May 2018 (Public Sector) states that “minor illness remains the most common cause of short-term absence, while mental ill health, musculoskeletal injuries (including back pain), stress and acute medical conditions are the most common causes of long-term absence, as in previous years”.

Proposed Approach

21. We need to continue with the support and well-being activities for staff, to maintain attendance and support those staff who are sick and unable to attend work to return at the soonest opportunity with the correct support available.
22. It is proposed to set a target to reduce sickness absence by around a third across the authority, to align our figures more closely with the Public Sector average of around 8.5 days and regionally to be in the lower quartiles.
23. Whilst this is ambitious, and may not be possible for areas who already have low sickness, it is not unrealistic in respect of some of the areas with the highest sickness levels, and data from external providers who offer dedicated resource demonstrate reductions in the first year of around a third.
24. Managers will continue to take responsibility and own attendance management within their teams and across Directorates. Managers

will be clear of the target we have set and will be accountable for performance against that target. It is proposed that the Corporate Director and Head of HR will have quarterly meetings with Heads of Service to assess their performance on attendance management.

25. Over £100m has been saved since 2008, this has inevitably significantly reduced staff numbers, and management capacity, and in some areas the balance of the management structure may need to be reviewed.
26. The provision of relevant training packages and direct support through HR Advisers will continue in guiding managers in applying consistently the policy and procedure.
27. The attendance management policy and procedure will be reviewed to ensure consistent application across the authority, and reflect the role of the centralised well-being team if it is agreed to be established.
28. Feedback from other authorities suggests that a common approach being considered or recently put in place, is the use of a dedicated team, including occupational health provision integrated into the team, to focus on attendance.
29. This dedicated team will work with the managers to manage attendance and support staff back to work at the earliest opportunity. They will take calls and log appropriate information. Where applicable an occupational health practitioner will then make contact in the first few days to assess the likelihood of a return and signposting the member of staff to appropriate services. This earlier intervention is to reduce the long term absence.
30. The dedicated team will support the manager in a full occupational health referral where required, transferring skills to the manager to ensure they get the best advice. The team will also work with the manager where staff have hit trigger points in line with the policy and ensure appropriate action is taken, fairly and consistently.
31. External companies can provide this approach and in speaking with one provider they have evidence to support their approach to

reduce absence on average by 37% in the first 12 months. It is more likely an external provider can speed up the delivery and achieve results sooner rather than later.

32. In considering this approach we feel that this will be beneficial at CYC and will support the reduction in absence to meet our ambitious target within the next two years.
33. That central dedicated well-being team will be able to continue to support managers in managing attendance with a more hands on approach.
34. This provision can be provided through two options :-
 - Option 1 - An in-house dedicated team where we employ staff to carry out this role,
 - Option 2 - Through a company who specialises in this provision and has demonstrated success in reducing absence levels and transferring skills and experience to the managers in managing absence.

Financial Implications/Investment Case

Analysis of the two options for the central team

35. The below table shows the advantages and disadvantages of the two proposals for consideration.
36. We are recommending the use of the external provider for two years, primarily due to the fact that this will provide a company with proven experience in this work, and the necessary resource base to get the work up and running early and to ensure capacity/skills during the course of the two year period. This will result in a reduction in sickness absence sooner than internal provision.

In-house Team – Advantages	External Provision - Advantages
- They will be embedded within the HR team which will encourage collaboration and	- The chosen provider may be willing to take a contract with 100% risk. In this scenario CYC

<p>joint working.</p> <ul style="list-style-type: none"> - CYC staff may prefer to contact an in-house team over an external one due to worries about confidentiality. - CYC managers may prefer an in-house team based in West Offices/Hazel Court as they will be able to discuss issues with them face to face. 	<p>will either see sickness reduce or have no cost to pay.</p> <ul style="list-style-type: none"> - CYC will be contracting a company with proven experience of working within organisations to reduce sickness, and will have tested the market. - CYC staff may prefer to discuss sensitive information with an external provider if they are assured it will remain confidential. - 24/7, 365 service provision. - Reduction in absence figures achieved sooner - Service Level Agreements in place. - Enhanced Management Information available. - External provider to provide guidance and training to managers to ensure quality of information, referrals and back to work interviews are at a high level to continue to reduce absence.
<p>In-house Team – Disadvantages</p>	<p>External Provision – Disadvantages</p>
<ul style="list-style-type: none"> - Office hours 9-5 Monday to Friday excludes weekends and bank holidays 	<ul style="list-style-type: none"> - By having an external provider, CYC may experience a disconnect between line managers, HR and the external

<ul style="list-style-type: none"> - Potential for gaps in resource - Some management Information systems require establishing - May not be able to recruit suitably skilled and experienced staff 	<p>team especially if contact is only maintained via phone and email.</p>
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37. The venture fund balance is £1.93 m; this proposal meets the requirements of the fund in investing to save.

Consultation

38. Trade unions are supportive of a fair and transparent approach to reduce our absence levels. If approval is given for an external provider then the council's procurement processes will be followed. If an internal team is to be established then the council's HR policies and procedures will be followed.

Council Plan

39. A reduction in sickness absence figures by a third will support the council's plan to focus on frontline services, to ensure all residents, particularly the least advantaged, can access reliable services and community facilities.

Implications

40. Financial

- An internal well-being team will comprise of 2 fte at grade 8, Well Being Officers, 1 fte grade 6 Well Being Support, and Occupational health provision of 1 day per week.
- The cost of this is approximately £90,000 per annum.
- Early assessment of the market suggests an annual figure of around £90,000 (based on approximately £2.95 per employee

per month) for the provision of an externally provided service to do this.

- The total cost to run this programme for a period of two years is therefore estimated at £180,000 under both options.
- It is suggested that the funding for this comes from the Venture Fund which is available to support invest to save schemes. Beyond 19/20 the position will be reviewed, with potentially costs to be included in the Councils budget funded from savings within Directorates subject to full appraisal of the scheme. Venture fund schemes are required to repay the loan advance over an agreed period of time. Subject to the success of the scheme, and the savings achieved, a repayment from savings will be approved by the S151 officer.
- It is expected that during the two year period, the absence rates will reduce and therefore the number of people being managed through attendance management procedures will fall. Managers during this time will be up-skilled and therefore being able to actively manage attendance going forward.
- The costs outlined above need to be set against the current costs of sickness absence.
- A broad estimate suggests the actual true cost of absence to be in the region of £1m per annum is primarily in areas where the sickness absence is the highest around 15-20 days. Reducing this by 20% would save £200,000 and by 30% £300,000. Whilst achieving an overall reduction of 20-30% may be a challenge, it is felt achievable in these areas where sickness does lead to actual costs of replacement of staff. There would also be significant non cashable efficiency gains in those areas where absence simply is not filled.

41. Human Resources (HR)

HR will be responsible for establishing and implementing the approach as agreed with the Executive. HR policies will be followed.

42. Equalities

This approach through a dedicated team is hoped to achieve consistency and fairness in the management of sickness absence.

43. Legal

If an external provider is procured a contract would be in place to ensure all parties are protected and transfer of sensitive data is managed in accordance with GDPR.

44. Information Technology (IT)

In both options we will need to work with IT during implementation to ensure the systems support the management information required.

Risk Management

45. There is a risk of not supporting this approach. Sickness absence rates may continue to increase and therefore have a direct impact on cost and frontline delivery of services. This proposal is aimed at mitigating this risk and putting in place skills, practices and procedures to maintain this in the future.

Contact Details

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Chief Officers responsible for the report:

Ian Floyd
Deputy Chief Executive and Director of
Customer & Corporate Services

**Report
Approved**



Date 5/10/18

Mary Weastell, Chief Executive

**Report
Approved**



Date 5/10/18

Specialist Implications Officer(s)

None

Wards Affected:

All



For further information please contact the author of the report

Background Papers

None

Annexes

None