



Notice of meeting of

Effective Organisation Overview & Scrutiny Committee

To: Councillors Steward (Chair), Douglas, Firth, Funnell, Hodgson, McIlveen (Vice-Chair), Scott and Warters

Date: Tuesday, 13 September 2011

Time: 5.00 pm

Venue: The Guildhall, York.

AGENDA

1. **Declarations of Interest**

At this point Members are asked to declare any personal or prejudicial interests they may have in the business on this agenda.

2. **Minutes** (Pages 3 - 6)

To approve and sign the minutes of the meeting held on 20 July 2011.

3. **Public Participation**

At this point in the meeting, members of the public who have registered their wish to speak regarding an item on the agenda or an issue within the Committee's remit can do so. The deadline for registering is Monday 12 September 2011 at 5pm.

4. **2011 - 2012 Finance Monitor 1** (Pages 7 - 14)

The purpose of this report is to provide details of the headline financial performance issues for 2011-12 covering the period 1 April 2011 to 30 June 2011.

5. Work Plan Report (Pages 15 - 20)

This report presents the committee's work plan for the forthcoming year and asks Members to consider any additions and/or amendments they may wish to make to the plan.

6. Staff Sickness Briefing Report (Pages 21 - 30)

This report sets the context for an Effective Organisation Overview and Scrutiny Committee review of staff sickness.

7. 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 Democracy Officer responsible for servicing this meeting whose contact details are given above.

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

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Scrutiny Committees

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

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City of York Council

Committee Minutes

MEETING	EFFECTIVE ORGANISATION OVERVIEW & SCRUTINY COMMITTEE
DATE	20 JULY 2011
PRESENT	COUNCILLORS STEWARD (CHAIR), DOUGLAS, FIRTH, FUNNELL, HODGSON, MCILVEEN (VICE-CHAIR), SCOTT AND WARTERS

8. DECLARATIONS OF INTEREST

At this point in the meeting, Members were asked to declare any personal or prejudicial interests they may have in the business on the agenda.

Councillor Hodgson declared a personal interest as a member of Unison, the Public and Commercial Services Union and as an ex employee of the NHS Trust.

Councillor Scott declared a personal interest as his wife is an employee of City of York Council.

Councillor Funnell declared a personal interest as Chair of St. Nicholas Fields Environment Centre.

9. MINUTES

RESOLVED: That the minutes of the meetings held on 11 January 2011 and 28 June 2011 be signed and approved by the chair as a correct record.

10. PUBLIC PARTICIPATION

It was reported that there had been no registrations to speak under the Council's Public Participation Scheme.

11. CAPITAL PROGRAMME OUTTURN 2010/11.

Members considered a report which set out the Council's capital programme outturn position for 2010/11 along with the financial outturn position.

Officers outlined the report, in particular the following areas:

- Overspends and resulting changes to the programme.
- Slippage
- Funding position of the capital programme
- An update on future years capital programme.

Members sought clarification on the re-profiling of schemes. Officers advised that it was similar to slippage.

RESOLVED: That Members noted the 2010/11 capital outturn position.

REASON: To keep the Committee informed.

12. YEAR END PERFORMANCE REPORT FOR 2010-11.

Members considered a report which provided them with a summary of the Council's performance highlights for 2010-11 and a presentation which highlighted future plans for accessing data about City of York Council.

Officers outlined the report and Members gave consideration to the data on performance indicators and requested further details on:

- Staff sickness, in particular, more details on long-term sickness versus short-term sickness, the reasons for absences and the number of days lost per full time employee.
- National Performance Indicator (NPI) 155 – the definition of an affordable home.
- NPI 186- what had led to a reduction in CO2 across the City.

Discussion took place on the Business Intelligence Hub and how performance information will be made available to Members in the future. Members commented that they would

still find it useful to have a report brought to Scrutiny meetings highlighting key performance issues and that they would like to continue to have the opportunity to question Officers.

RESOLVED: (i) That Members noted the report.
(ii) That Officers would email the requested information to members.

REASON: To keep Members informed on performance issues that fall under the committees remit.

13. FINANCIAL OUTTURN 2010-11

Members considered a report which provided details of the headline financial performance issues for 2010-11, covering the period 1 April 2010 to 31 March 2011. The report assessed performance against budgets, outlined requests for carry forwards and provided a position statement on the Council's revenue reserves.

Officers outlined the report and asked Members to note paragraphs 2 and 30 which included details of the use of reserves. Members queried whether Finance Officers had been comfortable with the use of £200k of reserves. They confirmed that they were comfortable with reserves being used.

RESOLVED: That Members noted the information in the report.

REASON: In order to keep the Committee informed.

14. DRAFT WORK PLAN FOR 2011/2012.

Members considered the Draft Work Plan for the Effective Organisation Overview and Scrutiny Committee for the forthcoming year and asked them to consider any additions or amendments.

Members suggested the following as areas they would like further information on as possible Scrutiny topics:

- Procurement
- Staff Sickness
- Property Services
- Decision Making at the Council

RESOLVED: That Members considered the draft work plan and identified the above areas as possible topics.

REASON: In order to provide the committee with a work programme for future meetings.

Councillor Steward, Chair
[The meeting started at 5.30 pm and finished at 7.50 pm].



Effective Organisation Overview & Scrutiny Committee

13 September 2011

Report of the Cabinet Member for Corporate Services**2011-12 Finance Monitor 1****Purpose**

1. The purpose of this report is to provide details of the headline financial performance issues for 2011-12, covering the period 1 April 2011 to 30 June 2011. The report assesses performance against budgets, progress of the council's savings programme and provides a position statement on the council's revenue reserves.

Summary

- The council is identifying early financial pressures totalling £4,288k across all directorate budgets.
- Extensive work is being carried out to ensure these pressures are mitigated by the end of the financial year to ensure that expenditure is contained within budget.

Overview

2. The council's net General Fund budget for 2011-12 is £123,900k, inclusive of £1,025k usage of reserves and balances.
3. The 2011-12 budget was the most challenging in memory, requiring some £21,036k of savings in order to reach a balanced position. The forecasts outlined in this report reflect a prudent view of how that challenge is currently being met.
4. The council's business change programme is progressing, with the majority of areas delivering as expected. At present, the programme is confirmed on track to deliver at least of 65% of its targeted financial benefits within 2011/12 with around 80% anticipated to be delivered overall, although some benefits will be realised later than planned. (This equates to approximately £7,000k and £8,500k respectively, and all of which are contained within the forecasts in Table 1). The main focus of activity is now on mitigating the remaining 20% of the benefits which are at risk through a combination of accelerating progress on other areas of the programme as

well as pure financial mitigation. Notable milestones that have been achieved include:

- Delivery of the council-wide organisational review
- Implementation of more efficient waste rounds
- Changes to Early Years provision and staffing structures
- Children's Services improvements in customer contact and administration

5. Early forecasts indicate that the council faces financial pressures of £4,288k. An overview of this forecast, on a directorate by directorate basis, is outlined in Table 1 below. The key pressures can be summarised in the following paragraphs.
6. Adults, Children & Education – In Adult Social Services increasing service demand for Independent Residential & Nursing Care and Direct Payments remain to be an issue, as well as new pressures caused by some delays in the Homecare and EPH business change programmes. In Children's Services, an increase above forecasts in the number of children under the care of the council further contributes to the pressure.
7. City Strategy – a continued shortfall in Building and Development control income compounded by in year pressures arising from the Directorate and Facilities Management service reviews.
8. Communities & Neighbourhoods – primarily driven by delays in achieving cross directorate savings taken as part of the 2011-12 budget, including the Fleet Review and reducing Agency Staff costs.

Directorate	2011-12 Net Budget	2010-11 Outturn Variance	2011-12 Monitor 1 Variance
	£'000	£'000	£'000
Adults, Children & Education	77,399	+1,579	+1,678
City Strategy (incl Facilities Mgmt)	8,797	+209	+771
Communities & Neighbourhoods	37,109	+55	+1,850
Customer & Business Support Services	3,921	-241	-11
Office of the Chief Executive	3,420	+24	-
DIRECTORATE BUDGETS	130,646	+1,626	4,288
Corporate Budgets	-6,746	-1,995	-
Mitigation Strategies to be Identified	-	-	-4,288
GROSS BUDGET	123,900	-369	0

9. Directorates are identifying strategies that will mitigate these pressures in order to contain expenditure within budget by the end of the financial year. As strategies are identified, the reported forecast will be amended accordingly in line with the council's stringent financial monitoring processes. This course of action has been successful in previous years.
10. It should be noted that a similar level of financial pressures were reported at Monitor 1 in 2010-11 and whilst the challenge of delivering the scale of savings contained in this years budget will be considerably tougher, continued determination to control costs from teams across the council should see an improved position as the financial year progresses. Corporate Management Team monitor the financial position of the council on a monthly basis and should the financial pressures not reduce sufficiently, or proposed mitigation strategies not deliver the improvement required, escalation of the issues will be raised by Director of Customer & Business Support Services to Members outside of the standard reporting schedule. The next report before Cabinet will be the Monitor 2 Finance report on 1 November 2011.

Directorate Financial Performance

11. The following sections provide further information on the financial outturn of each directorate as outlined in Table 1 above.

Adults, Children & Education

12. The Adults, Children & Education directorate is reporting early financial pressures of £1,678k, split between Adult Social Services (£1,017k) and Children's Services (£661k).
13. In Adult Social Services, pressures that have been evident in previous years related to demand for care still remain. At present, forecasted pressures centre on a greater number of referrals than anticipated in Independent Residential & Nursing Care (£577k) and a continued increase above forecast level in the number of customers taking up Direct Payments (£613k).
14. In terms of Business Change, there have been delays on two workstreams. In Homecare, there have been delays in letting the reablement contract and reconsideration of other care services options (£666k) and in EPH's, implementation delays mean that the full saving is unlikely to be achieved (net £385k).
15. However, mitigating actions have already been identified to reduce these pressures. A significant number of vacant posts are being held whilst the

Business Change workstreams continue (£806k) and delays in two Supported Living schemes (£200k).

16. In Children's Services, the number of children currently under the care of the council is considerably higher than predicted when the 2011-12 budget was set and as a result is contributing to the directorate's financial pressures. Most notably, local foster placements have increased from 162 to 175 (£209k) and Independent Fostering Agency placements have increased from 14 to 19 (£327k).
17. As well as the vacancy freeze outlined above, and a moratorium on non essential expenditure, the directorate is also assessing 2012-13 savings proposals that could be brought forward, as well as reviewing commissioning budgets and new customer/scheme developments with a view to identifying additional one-off savings for 2011-12.

City Strategy

18. The City Strategy directorate is reporting financial pressures of £771k. This position is inclusive of a £495k pressure related to cross directorate Facilities Management workstream savings, and for which officers are currently identifying mitigation options.
19. There are a number of contributory factors to the remaining reported pressure. There have been delays in the directorate's service review which will not be fully completed until the autumn resulting in an expected shortfall against the total saving of £814k (£380k) and in Planning, there are shortfalls in income in Building Control (£250k) and Development Control (£150k), which is consistent with recent years since the start of the economic downturn. It should be noted however that the council may be given powers to fix its own planning fees by the Department of Communities and Local Government and this may give opportunities to mitigate this shortfall. The directorate overspend is offset by anticipated underspends on Concessionary Fares budgets (£200k) and a surplus on parking income (£155k).
20. Vacancy management measures (currently £218k) and other expenditure controls are being enforced in order to reduce the forecast pressure by the end of the financial year.

Communities & Neighbourhoods

21. The Communities & Neighbourhoods directorate is forecasting early financial pressures of £1,850k, including £1,019k of cross directorate savings taken as part of the 2011-12 budget process.

22. The cross directorate savings pressures relate to the Fleet Review (£243k), which has been affected by additional resource requirements and the partial year effect of implementation but will deliver more financial benefit than anticipated from 2012-13, the Supplies and Services review (£200k) and Agency Staff (£269k).
23. Elsewhere in the directorate, Building Maintenance is forecasting pressures whilst new and efficient working practices are aligned to its business plan (£300k). There is a further one off pressure in Arts and Culture Education (£187k) as result of costs arising from the recent restructure.
24. In order to mitigate the pressures, the directorate is limiting expenditure to a minimum, however it is unable to do so in all circumstances, for example where contractual obligations prohibit this. Service managers are also drawing up proposals, some of which may require a political decision and will therefore be brought before the appropriate committee when necessary.

Customer & Business Support Services

25. The Customer & Business Support Services is currently reporting a projected underspend of £11k, which is primarily due to lower than anticipated costs resulting from the recent elections. The directorate will continue to try and identify other under spends which could assist in mitigating the council wide position.

Office of the Chief Executive

26. The Office of the Chief Executive directorate is currently forecasting that it will contain expenditure within budget. As with CBSS, the directorate will continue to try and identify other under spends which could assist in mitigating the council wide position.

Corporate Budgets

27. These budgets include Treasury Management activity and other corporately held funds. At present, it is anticipated that there will be no variation to budget in these areas.

Dedicated Schools Grant

28. In the DSG area there is a projected underspend of £306k against a budget of £106,642k, primarily due to lower than expected costs related to SEN

Out of City Placements. Due to the nature of the DSG, any underspend must be carried forward and added to the following year's funding with overspends either being funded from the general fund or reducing the following year's funding allocation.

Housing Revenue Account (HRA)

29. The current working balance on the HRA is £9,543k and the estimated variance against this is an underspend of £82k, which is primarily attributed to a decrease in the negative subsidy payment made to Central Government.

Reserves

30. The February 2011 Budget Report to Council stated that the minimum level for the General Fund reserve should be £6.1m (or 5% of the net budget) and following the 2010-11 outturn, where funding was applied to fund new initiatives, the reserve now stands close to this minimum level.
31. Members have to be mindful that any overspend would have to be funded from this reserve reinforcing the need to contain expenditure within budget. Should this happen the Director of Customer & Business Support Services would have no option but to recommend to Council that the reserve is reinstated to at least its minimum required level which would have implications on future budget setting cycles.

Analysis

32. The analysis of the financial position of the council is included in the body of the report.

Consultation

33. There has been extensive consultation with Trade Union groups on the ongoing implications of the council's financial situation.

Corporate Priorities

34. The information and issues included in this report demonstrate progress on achieving the priorities set out in the council's corporate strategy (2009-12).

Implications

35. The implications are:

- Financial - the financial implications are dealt with in the body of the report.
- Human Resources - there are no specific human resource implications to this report.
- Equalities - there are no specific equality implications to this report, however equalities issues are accounted for at all stages of the financial planning and reporting process.
- Legal - there are no legal implications to this report.
- Crime and Disorder - there are no specific crime and disorder implications to this report.
- Information Technology - there are no information technology implications to this report.
- Property - there are no property implications to this report.
- Other - there are no other implications to this report.

Risk Management

36. The risk management processes embedded across the council continue to contribute to managing the risk issues associated with major projects and key areas of service delivery.

Recommendations

37. Members are asked to:

- a. Note the current projected pressures of £4,288k and note that strategies are being prepared to mitigate this position.

Reason: In order to ensure expenditure is kept within budget.

Authors:	Cabinet Member & Chief Officer Responsible for the report:		
Debbie Mitchell Corporate Finance Manager Ext 4161	Councillor Julie Gunnell Cabinet Member for Corporate Services		
Andrew Crookham Principal Accountant Ext 2912	Ian Floyd Director for Customer & Business Support Services		
	Report Approved		Date <i>September 2011</i>
Wards Affected: <i>All</i>			
<i>For further information please contact the authors of the report</i>			

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Effective Organisation Overview & Scrutiny Committee**13 September 2011**

Report of the Assistant Director, Governance & ICT

Report – Work Plan for 2011/2012**Summary**

1. This report presents the Committee's work plan for the forthcoming year and asks Members to consider any additions and/or amendments they may wish to make to it. The draft work plan is attached at Annex A to this report.

Topics for Possible Review

2. At the committee meeting held on 28 June 2011, Members identified a number of possible topics for scrutiny review this municipal year as follows:
 - Staff Sickness - Average day's sickness absence per FTE in 2010/11 was 10.48 days (1.5 days higher than previous year). Review to look at the reasons behind the high number of absences, particularly in CANS and Adult Social Care. Also, to identify ways of reducing the level of staff sickness across all Directorates and ensure robust processes and procedures are in place to accurately record and respond to those absences. This would support the new Council Plan by assisting in the development of a confident, collaborative organisation, improving the co-ordination and inclusivity of staff, and ensuring the delivery of a successful workforce strategy.
 - Procurement - To assist in the revision of the Council's procurement strategy to improve the focus on the 'triple baseline' of requirements i.e. environmental, economic and social, with the latter embracing policy issues such as inclusiveness, diversity, equality and regeneration. This would support the new Council Plan by helping to identify savings, increase the sourcing of goods and services locally (thereby reducing CO2 emissions), and helping

to protect the environment and contribute to the economy of the region.

- Property Services – To undertake a review of Property Services to ensure the Council's property assets are aligned with the council's priorities, and that the property portfolio will meet our service and financial needs in the years to come.
3. These topics were presented at a recent Scrutiny Work Planning Event held in July 2011, together with a whole range of other topics from the other overview and scrutiny committees. The Members attending had an opportunity to consider all of the topics presented and to suggest additional topics for consideration.
 4. As a result of the work undertaken at the event, the Members of this Committee present were asked to agree two topics for potential review this municipal year, and the following were identified:
 - Staff Sickness
 - Future Use & Options for the Guildhall

Analysis

5. Staff Sickness
As this topic was identified by the whole Committee and again at the scrutiny event, officers have produced a report for this meeting in an effort not to delay the Committee from commencing work on a scrutiny review. An associated item appears on this agenda.
6. Having considered the Staff Sickness briefing report, Members are asked to agree whether or not to proceed with the review. If a decision is taken to proceed, the Committee are asked to agree the following:
 - i. A remit and some objectives for the review
 - ii. Whether the review to be undertaken by the Committee as a whole or by a small Task Group made up of members of the Committee
 - iii. A timeframe for completing the review
7. Other Identified Topics
Members are asked to consider receiving officer briefings/presentations on the three remaining topics at a future meeting. As the next formal meeting of this Committee is not until 22 November 2011 it is suggest that the Committee agree an additional meeting date in mid/late October at which to receive introductory information on those topics.

8. Members should be aware that this does not preclude this Committee from considering other topics for review (that fall within its remit) at any stage in this municipal year. Should any be submitted, the Committee will be asked to consider these in the normal way and where appropriate, will be asked to revise the Committee's workplan accordingly.

Options

11. Members are asked to consider the work plan at Annex A and make any amendments/additions they feel necessary. They may also decide how they wish to proceed with the staff sickness topic as detailed in paragraph 6 above, and an additional meeting date for mid/late October this year.

Corporate Strategy

12. The work of this Committee relates to the 'Effective Organisation' theme of the Corporate Strategy 2009/2012.

Implications

13. There are no known financial, human resources, legal or other implications associated with the recommendations within this report. Any implications arising from reviews will be addressed within future reports associated with the individual reviews.

Risk Management

14. In compliance with the Council's risk management strategy there are no known risks associated with the recommendations within this report.

Recommendations

15. Members are requested to consider the work plan for 2011/2012 and agree:
 - a. how to proceed with the suggested Scrutiny Review of Staff Sickness, as detailed in paragraph 6 above;
 - b. when to receive officer briefings on the other proposed topics as shown in paragraphs 2 & 4 above

Reason: In order to provide the Committee with a work programme for this municipal year

Contact Details

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**Report
Approved**



Date 8 August 2011

Specialist Implications Officer(s) None

Wards Affected:

All



For further information please contact the author of the report

Background Papers:

None

Annexes:

Annex A Draft Workplan

Effective Organisation Overview & Scrutiny Committee Work Plan 2011-12

Meeting Date	Work Programme
28 June 2011 @ 5pm	<ol style="list-style-type: none"> 1. Introduction to Committee Remit & Terms of Reference 2. Presentation by Assistant Directors on ongoing work within Resources Directorate & future planned work 3. Attendance of Executive Member for Corporate Services to discuss her priorities and challenges for this municipal year 4. Report on Draft Workplan for 2011-12 5. 2010-11 Year End Outturn Report
13 September 2011 @ 5pm	<ol style="list-style-type: none"> 1. 2011-12 Finance Monitor 1 (Andrew Crookham) 2. Workplan Report (Scrutiny Officer) 3. Staff Sickness – Briefing Report (Chris Tissiman)
22 November 2011 @ 5pm	<ol style="list-style-type: none"> 1. Second Quarter Monitoring Report 2. Monitoring Report on Implementation of recommendations arising from previously completed Customer Complaints review (Pauline Stuchfield) 2. Workplan
11 January 2012 @ 5pm	<ol style="list-style-type: none"> 1. 2011/12 Budget Update II (Andrew Crookham) 2. Monitoring Report on Implementation of Workforce Plan and the uptake, outturn and success of CYC apprenticeships and work-based training (Pauline Stuchfield) 3. Workplan
28 February 2012 @ 5pm	<ol style="list-style-type: none"> 1. Third Quarter Monitoring Report 2. Workplan

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*Effective Organisation Overview and Scrutiny
Committee*

13th September 2011

Report of the Assistant Director - Customers and Employees

Sickness Absence

Summary

1. This report sets the context for the Effective Organisation Overview and Scrutiny Committee review of staff sickness.

Background & Context

2. At a recent Scrutiny Event for Members, members of the Effective Organisation Overview and Scrutiny Committee agreed they wished to carry out a scrutiny review on staff sickness, specifically to:
 - i. identify ways of reducing staff sickness levels by identifying what would make the most impact on those levels;
 - ii. looking at trends in York as well as other authorities and;
 - iii. finding out if external practices would work best for CYC.
3. This idea originated from seeing the Year End Performance Report 2010-11 at their last formal meeting.
4. This report provides the Committee with details of the current situation across CYC Directorates including time lost statistics and the causes of staff sickness within specific Directorates.

Historical Performance

5. The council's levels of sickness absence the past five years were as follows:
 - 2006/07 – 12.93 days per full time equivalent (FTE);
 - 2007/08 - 9.54 days per FTE;
 - 2008/09 – 9.08 days per FTE;

- 2009/10 – 8.98 days per FTE;
 - 2010/11 – 10.48 days per FTE.
6. In comparative terms, in 2006/07, York was the worst performing unitary authority in this area and one of the worst in the country. The 2007/08 and 2008/09 performances both placed the council in the third quartile and 2009/10 second quartile performance was achieved with the improvements being significant both in real and relative terms.

Current Position

7. Annex A shows sickness absence levels across the council and by Directorate for 2010/11 and quarter 1 of 2011/12. Annex A also shows the top five reasons for absence, broken down in the same way across the same period of time.

Previous action

8. Since 2006/07, reducing sickness absence levels has been a key priority for the council with constant monitoring of absence levels in the quarterly and annual performance reports, alongside a strategic review of how the council manages absence and attendance at work, based on detailed diagnostic work of the type and amount of absence, analysed by Directorate and also compared to public and private sector organisations. Across this time regular reports were received by both Members and Officer groups, as follows:

Date	Meeting
7 th March 2006	Personnel Committee
6 th June 2007	Corporate Management Team (CMT)
10 th October 2007	CMT
21 st May 2008	CMT
10 th September 2008	CMT
24 th September 2008	Audit & Governance Committee
7 th October 2008	Executive
5 th October 2010	Executive

9. This work was supported by audits of sickness absence in 2005/06, 2007/08 and 2009/10.
10. The aforementioned work in October 2007 involved a full diagnostic of sickness absence levels and types, comparing across sector as well as with other local authorities. The review found that York's reasons for absence were typical of local authorities, with no distinguishing features other than the overall amount. Given the length of time since that work was undertaken, the Committee might consider it worthwhile for it to be repeated. The Committee should however be aware that such detailed diagnostic work represents a significant piece of work, with the work in 2008 taking 24 days of dedicated officer time. It would therefore be useful if any diagnostic work commissioned was closely defined in order to ensure that the data collection and analysis meets the Committee's requirements.
11. As a direct result of the performance in 2006/07 a strategic review of sickness absence was undertaken. This initially involved a full review of the council's policies and procedures for managing sickness absence. Research was undertaken of best practice in this area and the council's policies were amended accordingly. The council's processes for managing sickness absence are best of breed and contain all of the interventions and processes used by organisations with low levels of sickness absence.
12. Subsequent work focused on maximising attendance at work as well as managing sickness absence when it occurred and on the 1st October 2007 a new Attendance at Work Policy came into effect which provided staff and managers with detailed guidance and support on sickness absence management. This new approach lead to significant improvements in sickness absence rates across the council.
13. In order to support the new strategic approach, long term attendance at work initiative was launched with a view to facilitating attendance at work, involving the following areas of work:

Area of work	Current position
Management training	A specific module on managing attendance was developed and included in the Effective Manager Programme, supplemented by bespoke training to provide managers with the skills to deal with sickness absence casework.

Health and Well-being Promotion Activities	A range of health and well-being promotional activities have taken place designed to maximise the physical, psychological and social health of all employees, focusing areas such as healthy eating, back care, smoking cessation and fitness. For instance the Communities and Neighbourhood Services directorate ran a month of healthy lifestyle and wellbeing promotional activities as part of the Excellence in Everything programme.
Occupational Health Service	Work has taken place with council's contracted occupational health service, York Hospitals NHS Foundation Trust to provide additional services such as flu vaccinations, physiotherapy/ osteopathy, influenza and Hepatitis B jabs, specialist display screen equipment (DSE) and workplace assessments, ergonomics and rehabilitation programmers, amongst others.
Work/life balance	The council's current work/life balance provisions have been reviewed with a view to extending and re-marketing them, thereby making it easier for staff to attend work and to use the correct provisions for unavoidable absence. The revised provisions were piloted as part of the Office of the Future work being undertaken by the Accommodation Project, which has resulted in recommendations being made for amendments to some existing policy provisions and for the development of some new policies. The revised policy provisions were launched in November 2010 and a push is planned to further embed them across the council.

Well-being survey

14. In addition the above work, Effective Organisation Overview and Scrutiny Committee should also be aware that the council carried out an employee Wellbeing Survey throughout May and June 2011. The survey was facilitated by Health'e'Solutions, an external provider, and involved a range of electronic and paper surveys.
15. The findings from the survey were being presented to CMT by Health'e'Solutions in August and the next steps are:

- The information provided by Health'e'Solutions will be used to generate a short summary of the results of the survey to be made available to all staff.
- Further data analysis work will be undertaken, for instance to identify any specific issues from an equalities perspective and alongside the Business Intelligence Unit to benchmark the outcomes.
- The Joint Health & Safety Committee (JHSC) will oversee the production of a council wide action plan to resolve the issues identified, this will be a combination of individual Directorate plans along with an over arching council wide plan. The plans will be produced and presented to CMT for approval by the end of October 2011.
- Health'e'Solutions will run individual feedback and workshops for each Directorate during September 2011.
- The Health & Safety team will work with each Directorate Health & Safety Champion to produce a Directorate action plan that will feed into the over arching council wide plan.
- The council wide action plan will include reviewing existing relevant policies and procedures relating to Workplace Stress to ensure that they are consistent with the action plans developed. As well as promoting existing policies where they exist but aren't been implemented.
- Progress against the action plan will be monitored quarterly by JHSC through out 2011-12 to ensure the milestones identified are achieved.
- A communication strategy will be developed in conjunction with marketing and communications to ensure that members of staff are fully aware of the results both council wide and locally as well as the next steps and the timescales. It is envisaged that the communication channels that will be used will be all user emails; Buzz; Directorate Management Channels, Newsletters and local meetings.

Future Developments

16. The work undertaken on this subject previously highlighted that one key factor in the effective management of sickness absence is the provision of good quality, real time management information, which allows early interventions. At present this is not possible due to the

constraints of the current HR/payroll system and although HR do provide management information to directorates on a regular basis, it is not in real time.

17. As the Committee may know, the council is in the process of replacing the current HR/Payroll system (Delphi) with a new system (iTrent). The new system is scheduled to be in place by the end of the financial year and, amongst other things, will allow manager self-service. This means that managers will input their teams' sickness directly in to the system as it occurs, meaning that the system will be operating in real time. A suite of reports will also be available to managers to interrogate their teams' sickness absence themselves, rather than having to request a report from the HR team. Both of these developments are expected to have a positive impact of sickness absence levels as they will allow managers to identify issues earlier than at present and take timely action to address any emerging issues.

Benefits

18. The benefits of reducing sickness absence levels are:
 - increased productivity;
 - reduced costs where cover is required;
 - increased wellbeing of the wider workforce;
 - increased motivation amongst the workforce if they see absenteeism being tackled.
19. In addition to the above, 80% of staff live in the council's area so a more healthy workforce also brings wider benefits to the wellbeing of the council's population and the City.

Conclusions

20. The council's performance in this area has improved over the past five years, although there is clearly still scope for additional improvement. It was disappointing that performance declined in 2010/11 however that may be a reflection of the size and scale of organisational change underway.
21. It is undeniable that the causes of sickness absence are complex and multifaceted, often reflecting the culture and context of the organisation. There is no single solution to the council's performance in this area and Effective Organisation Overview and

Scrutiny Committee are advised to be cognisant of the work already undertaken when scrutinising this matter.

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Report **Date** 4th September
Approved 2011

Ian Floyd
Director - CBSS

Report **Date** 4th September
Approved 2011

Specialist Implications Officer(s):

Wards Affected: *List wards or tick box to indicate all* **All**

For further information please contact the author of the report

Background Papers: See main body of report

Annexes

Annex A - Sickness absence levels and reasons – 2010/11 and Q1 2011/12

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Sickness absence levels and reasons – 2010/11 and Q1 2011/12

YEAR	2010-11			Q1 - 2011		
Directorate	FTE days absent	FTE employees	Days lost/FTE	FTE days absent	FTE employees	Days lost/FTE
Chief Exec	281.71	55.21	5.10	14.16	49.55	0.29
Communities & Nhoods	14046.12	1078.27	13.03	2878.78	1033.51	2.79
City Strategy	2071.73	276.18	7.50	234.44	257.74	0.91
Customer & Business Support Services	2813.02	362.60	7.76	398.38	361.95	1.10
Adults, Children & Education (excl. Schools)	17821.12	1220.87	14.60	3785.93	1195.49	3.17
Schools	18824.54	2336.29	8.06	3581.20	2125.60	1.68
CYC	55858.24	5329.42	10.48	10892.89	5023.84	2.17

YEAR	2010-11			Q1 - 2011		
Directorate	Top five reasons	%	Days lost/FTE	Top five reasons	%	Days lost/FTE
ACE (excl. Schools)	STRESS/DEPRES	19.97%	2.91	OTHER MUSCULO	20.95%	0.66
	OTHER MUSCULO-	18.29%	2.67	STRESS/DEPRES	13.85%	0.44
	OTHER	14.96%	2.18	INFECTIONS	13.59%	0.43
	INFECTIONS	10.99%	1.60	OTHER	12.41%	0.39
	STOMACH/ LIVER	8.15%	1.19	BACK AND NECK	10.14%	0.32
Schools	STRESS/DEPRES	20.83%	1.68	STRESS/DEPRES	20.51%	0.35
	OTHER	16.53%	1.33	OTHER MUSCULO	19.22%	0.32
	OTHER MUSCULO-	11.23%	0.91	OTHER	15.54%	0.26
	STOMACH/ LIVER	11.03%	0.89	NEUROLOGICAL	8.15%	0.14
	INFECTIONS	10.65%	0.86	EYE/ EAR/ NOSE	7.53%	0.13
CANS	OTHER MUSCULO-	20.43%	2.66	OTHER MUSCULO	26.91%	0.75
	STRESS/DEPRES	17.07%	2.22	STRESS/DEPRES	18.94%	0.53
	INFECTIONS	12.22%	1.59	STOMACH/ LIVER	13.63%	0.38
	HEART/ BLOOD P	11.88%	1.55	BACK AND NECK	10.18%	0.28
	BACK AND NECK	11.74%	1.53	INFECTIONS	5.73%	0.16

CBS	OTHER MUSCULO-	25.35%	1.97	OTHER MUSCULO	25.08%	0.28
	STRESS/DEPRES	22.69%	1.76	STRESS/DEPRES	24.31%	0.27
	INFECTIONS	15.78%	1.23	OTHER	16.57%	0.18
	HEART/ BLOOD P	8.19%	0.64	INFECTIONS	12.06%	0.13
	STOMACH/ LIVER	7.59%	0.59	EYE/ EAR/ NOSE	7.14%	0.08
CHEX	INFECTIONS	35.15%	1.79	INFECTIONS	64.69%	0.18
	STOMACH/ LIVER	23.15%	1.18	EYE/ EAR/ NOSE	28.25%	0.08
	STRESS/DEPRES	15.60%	0.80	CHEST AND RES	7.06%	0.02
	OTHER	9.23%	0.47			
	OTHER MUSCULO-	6.39%	0.33			
CITY	OTHER MUSCULO-	28.55%	2.14	INFECTIONS	34.26%	0.03
	STRESS/DEPRES	16.28%	1.22	OTHER	21.75%	0.02
	STOMACH/ LIVER	0.1217485	0.91	EYE/ EAR/ NOSE	21.33%	0.19
	INFECTIONS	0.0978313	0.73	STRESS/DEPRES	7.16%	0.07
	BACK AND NECK	0.0892249	0.67	OTHER MUSCULO	4.56%	0.04