

The Highland Council**Audit and Scrutiny Committee**

Minutes of Meeting of the **Scrutiny Working Group** held in Committee Room 3, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 20 November 2014 at 12.50 pm.

Present:

Mrs M Davidson	Mr A Mackinnon
Mr B Fernie	Mr T Prag
Mr I Brown	Mr M Reiss
Mr C Fraser	Mr R Saxon

Officials in attendance:

Mr N Rose, Head of Audit and Risk Management
Ms D Sutherland, Audit & Risk Manager
Ms E Barrie, Human Resources Manager
Mrs F MacBain, Committee Administrator

Mr B Fernie in the Chair**Business****1. Apologies for Absence**

Apologies for absence were intimated on behalf of Mrs G Sinclair and Mr G Rimell.

2. Declarations of Interest

The following declarations of interest were **NOTED** at the meeting -

Item 3 – Mr A Mackinnon and Mr M Reiss (both financial)

3. Managing Staff Absences**Declarations of Interest:**

Mr A Mackinnon and Mr M Reiss declared financial interests in this item on the grounds of their wives being employees of the Highland Council but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that their interest did not preclude their involvement in the discussion.

There had been circulated Report No. SWG/1/14 by the Head of Audit and Risk Management which provided appropriate background material in order to enable the scoping of a review by the Scrutiny Working Group of the Council's arrangements for managing sickness absence.

By way of background information, the Human Resources Manager explained that the Council had set a budget savings target of £679k through improved attendance management over four years, with a 5% reduction in costs targeted

for 2015-16, 2% in 2016-17, and 1% in the remaining two years. A 2014 CIPD survey had highlighted differences in public and private sector absence rates, with the private sector tending to have less sympathetic pay provisions for sickness, leading to lower reported levels of absence, however the public sector tended to have more supportive sickness prevention practices and therefore better staff retention rates. It was important that a balanced, fair process was in place for all staff, and that due attention was paid to legal requirements.

A summary was provided of the Council's key policies in this regard, as well as various strategies that were available to managers. These included support and training given to staff as a preventative measure, often through the Council's Occupational Health service, and the monitoring and management of absence, such as the scrutiny of absence figures and the use of tools such as return to work interviews. Absence reporting was a national statutory performance indicator with figures collected and reported on a quarterly basis. It was confirmed that absence was accounted for in half-days. Highland Council's average absence number of days off per employee per year for 2013-14 was 9.2, which was the lowest figure in Scotland. By way of comparison, the average for the public sector as a whole was 7.9 and 6.6 for all other organisations.

The Human Resources Manager also confirmed that absence statistics were available for each Service and explained the current process for 'ragging' these, with a red flag being applied when the average absence was higher than three days per employee per quarter.

During discussion, Members made the following points:-

- assurance was sought that that this scrutiny exercise should be communicated to staff and trade unions;
- the agenda should be emailed to Members to facilitate access to the links contained within it;
- there appeared to be potential for inconsistency across the Council in the implementation of policies relating to absence management and, in this regard, Member scrutiny in the matter would be helpful. The quality and timing of the absence information being fed back to managers was important;
- national regulations meant that the first three days of teacher absence did not have to be reported and this might have affected the absence statistics for the Care & Learning Service. A further factor in relation to the statistics reported was the school holidays where short term sickness was unlikely to be reported;
- the target absence figure of twelve days per year was considered to be high. Whilst there were no statutory targets for ragging absence figures, there were further benchmarking opportunities;
- it was important that a proactive approach was taken to tackling mental health or stress issues at an early stage;
- the importance of all staff being treated equitably and fairly was emphasised; and
- alternative absence-prevention measures should be considered, such as wellness interventions, fitness assessments and flu jabs for vulnerable staff.

During further discussion, together with an overview of the absence statistics for each Service, Members considered that the scrutiny exercise should be scoped as follows:-

- reviewing the Council's Attendance Management Policy in order to ensure that this met best practice;
- ensuring that the Attendance Management Policy was consistently applied by Managers, including the use of appropriate preventative measures; and
- considering the arrangements for the reporting of sickness absence.

In undertaking the above exercise, Members agreed that it would be appropriate to focus on two Services, namely the Care & Learning Service and Community Services, and that they would wish to meet with the Heads of Service concerned in order to establish the arrangements for managing sickness absence for their respective functions/activities. In this regard, Members also confirmed that they would wish to consider whether there was benchmarking information available from similar organisations and for similar types of work. In addition, with regard to the areas of good performance, it would be appropriate to consider whether good practices could be shared more widely across the Council.

The Head of Audit and Risk Management offered to prepare and circulate a timetable for the review process which would help to drive the agenda for future meetings.

Thereafter, the Working Group:-

- i. **NOTED** the information as circulated in preparation for the scoping review; and
- ii. **AGREED** that the report should be circulated by email to Members of the Group, along with a proposed timetable for the review process.

The meeting concluded at 1.55pm.