Essex County Council

Corporate Policy and Scrutiny

10:30	**Tuesday, 25 June 2019**	**Committee Room 1 County Hall, Chelmsford, CM1 1QH**

For information about the meeting please ask for:
Richard Buttress, Member Enquiries Manager
Telephone: 07809 314835
Email: democratic.services@essex.gov.uk

6   **Date of Next Meeting**
To note that the next meeting of the Corporate Policy and
Scrutiny Committee is scheduled to take place on Tuesday
30 July 2019 at 10:30am.

7   **Urgent Business**
To consider any matter which in the opinion of the
Chairman should be considered in public by reason of
special circumstances (to be specified) as a matter of
urgency.

Exempt Items
(During consideration of these items the meeting is not likely to be open to the
press and public)

To consider whether the press and public should be excluded from the meeting
during consideration of an agenda item on the grounds that it involves the likely
disclosure of exempt information as specified in Part I of Schedule 12A of the
Local Government Act 1972 or it being confidential for the purposes of Section
100A(2) of that Act.

In each case, Members are asked to decide whether, in all the circumstances,
the public interest in maintaining the exemption (and discussing the matter in
private) outweighs the public interest in disclosing the information.

8   **Urgent Exempt Business**
To consider in private any other matter which in the opinion
of the Chairman should be considered by reason of special
circumstances (to be specified) as a matter of urgency.

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Committee: Corporate Policy and Scrutiny Committee

Enquiries to: Richard Buttress, Democratic Services Manager

Membership, Apologies, Substitutions and Declarations of Interest

Recommendations:

To note

1. Membership as shown below
2. Apologies and substitutions
3. Declarations of interest to be made by Members in accordance with the Members' Code of Conduct

Membership

(Quorum 4)

Councillor M Mackrory (Chairman)
Councillor J Abbott
Councillor M Buckley
Councillor G Butland
Councillor M Garnett
Councillor M Hardware
Councillor V Metcalfe (Vice-Chair)
Councillor J Moran
Councillor R Pratt
Councillor W Schmitt
Councillor A Sheldon
Councillor M Steptoe
Councillor A Turrell
Councillor J Young (Vice-Chair)

Minutes of the meeting of the Corporate Policy and Scrutiny Committee, held in Committee Room 1, County Hall, Chelmsford, CM1 1QH on Tuesday 28 May 2019

Present

Cllr M Mackrory (Chairman)   Cllr R Pratt
Cllr J Abbott   Cllr A Sheldon
Cllr J Aldridge   Cllr M Steptoe
Cllr M Buckley   Cllr A Turrell
Cllr M Garnett   Cllr J Young
Cllr J Moran

Apologies

Cllr G Butland   Cllr V Metcalfe
Cllr M Hardware   Cllr W Schmitt

Richard Buttress, Democratic Services Manager was supporting the meeting.

1. **Membership, Apologies and Declarations**
   Apologies were received from Cllr G Butland, Cllr M Hardware, Cllr V Metcalfe and Cllr W Schmitt.

   Cllr J Aldridge was substituting for Cllr G Butland.

   Following the May meeting of Full Council, the change in committee membership was noted and Cllr G Butland and Cllr J Young were welcomed on to the committee.

   No declarations of interest were received.

2. **Election of Vice-Chairmen for 2019/20 municipal year**
   The committee elected Cllr V Metcalfe and Cllr J Young as Vice-Chairman of the committee for the forthcoming municipal year.

3. **Minutes of previous meeting**
   The minutes of the meeting held on Tuesday 30 April 2019 were approved by the committee as an accurate record and signed by the Chairman.

4. **Questions from the public**
   There were no questions from the public received.

5. **Organisation Strategy**
   The committee received a verbal update from Patrick Guthrie, Head of Profession, on Essex County Council's (ECC) Organisation Strategy.

   - ECC works to a four year strategy in line with the County Council election cycle
   - The organisation plan was adopted at Full Council in February 2019
   - The strategy has four aims:
     - Enable inclusive economic growth

- Help people get the best start and age well
- Create great places to live and work
- Transform the Council to do more with less
  - The strategy is more focussed and evidence based
  - The strategy is ambitious but realistic
  - It recognises that the role of the council needs to change
  - The performance aspect of the strategy will be reported on in ECC's Annual Report in July 2019
  - It was felt that an mid-point review was not required as the strategy is kept under review continuously
  - There have been no changes to the strategic environment that required any changes being made to the strategy
  - Delivery of the strategy is embedded through business plans
  - Business plans for 2021 – 2024 will start being put together from the end of this year.

High level strategies are moved into specific policies which are scrutinised.

Strategies around living well and keeping fit and good but in some cases, ECC are charging for people to do Parkrun's in its Country Parks.

The report in July 2019 will be shared with the committee.

Updates on how the strategy is performing are presented to PLT on a regular basis.

There seems to be a lack of consistency in ECC around producing qualitative data. It is difficult to record data on non-service delivery topics but the key messages are extracted.

Benchmarking is a core measure of performance against other councils.

Engagement with Members and employees was undertaken when formulating the current strategy. External consultants were not used as part of this process.

Actions

1) Report on the performance of the strategy that will be published in ECC's annual report in July 2019 is to be shared with the committee.
2) Engage with the committee in October 2019 when formulating future business plans.

6. **Business Rates Retention and Fair Funding Review**
   The committee received report CPSC/09/19. Cllr Gagan Mohindra, Cabinet Member for Finance, Property and Housing provided the following introduction:

   - Business Rates Retention (BRR) and the Fair Funding Review (FFR) have been a longstanding issue for ECC
   - The money received into ECC from these is not significant but it does encourage growth within the County

- BRR consultation has been impeded by current international matters (Brexit)
- People are living longer and rely on more expensive services if they are required
- ECC is liaising closely with MP's in Essex to gain their support for BRR and FFR
- ECC may receive a larger share of BRR in the future but as a result would no longer receive the revenue support grant.

Employment land is the responsibility of the District and Borough Councils as part of their local plans.

Cash machines are liable for business rates.

ECC have been in conversations with central government around the disparities between what Counties receive compared to inner London authorities.

ECC are continuing to press central government for a response as to when a decision on BRR will be made.

Until the consultation results are available, there is not a figure on what the BRR growth will be.

ECC needs to be proactive in policies going forward to maximise the amount of funding received into the authority.

Fair Funding has an impact on the majority of ECC's budget.

Actions

1) A copy of ECC's response to the Fair Funding Review is to be shared with the committee.

7. **2018/19 Provisional Outturn**
The committee received report CPSC/10/19. Cllr Gagan Mohindra, Cabinet Member for Finance, Property and Housing provided the following introduction:

- There is a 1% underspend on the revenue budget
- The underspend has been attributed to the mild weather

8. **Work Programme**
The updated work programme was noted by the committee.

A further update on the Organisation Strategy has been added to the work programme for the committee's October meeting.

9. **Date of next meeting**
10. The date of the next meeting will be held on Tuesday 25 June 2019 at 10:30am.

11. Urgent Business
No urgent business was received.

12. Urgent Exempt Business
No urgent exempt business was received.

The meeting closed at 3:30pm.

Chairman

	AGENDA ITEM 4
	CPSC/10/19
Committee:	**Corporate Policy and Scrutiny Committee**
Date:	**Tuesday 25 June 2019**
Enquiries to:	**Name: Pam Parkes** **Designation: Director, Organisation Development and People** **Contact details: pam.parkes@essex.gov.uk**

Absence and Absence Management Update

Purpose

In April 2019, the committee identified this topic as something they would like to receive detailed information on, with a view to receiving annual updates.

Absence & Absence Management Update for Scrutiny Committee

Organisation Development & People

Essex County Council

Introduction & Agenda

The Corporate Policy and Scrutiny Committee has requested an update on ECC sick absence levels including cause breakdown, associated casework and support in place for both managers and employees as well as some supplementary information. This presentation covers off our performance in the 18/19 financial year, highlights key issues and demonstrates the support in place and planned activity to address some of our key issues.

Agenda

- Key Issues / considerations
- Sick Absence Data - Current sick absence levels & causes
- Casework Update
- Limited Assurance Internal Audit – recommendations and status
- Support for line managers
- Support for employees
- Current / future planned activity - addressing key issues

Key Issues / Considerations

There are some key issues around sick absence that we're taking a closer look at. Later on in this presentation we will explore how we're addressing some of these key themes.

In 2018 Internal Audit found limited assurance based on poor technology and management behaviours towards recording and managing sick absence.

While our overall sick absence is low, the internal audit in 2018 identified that not all sick absences are recorded and is therefore not a true reflection of ECC sick absence performance.

33% of all recorded sick absences were attributable to **Stress, Depression and Mental Health**. In 2018/19 we saw a 7.6% year on year increase to absences for this cause.

The management of individuals triggering the absence processes to formal casework are lower than expected and therefore improved guidance for managers around the management of sick absence is required.
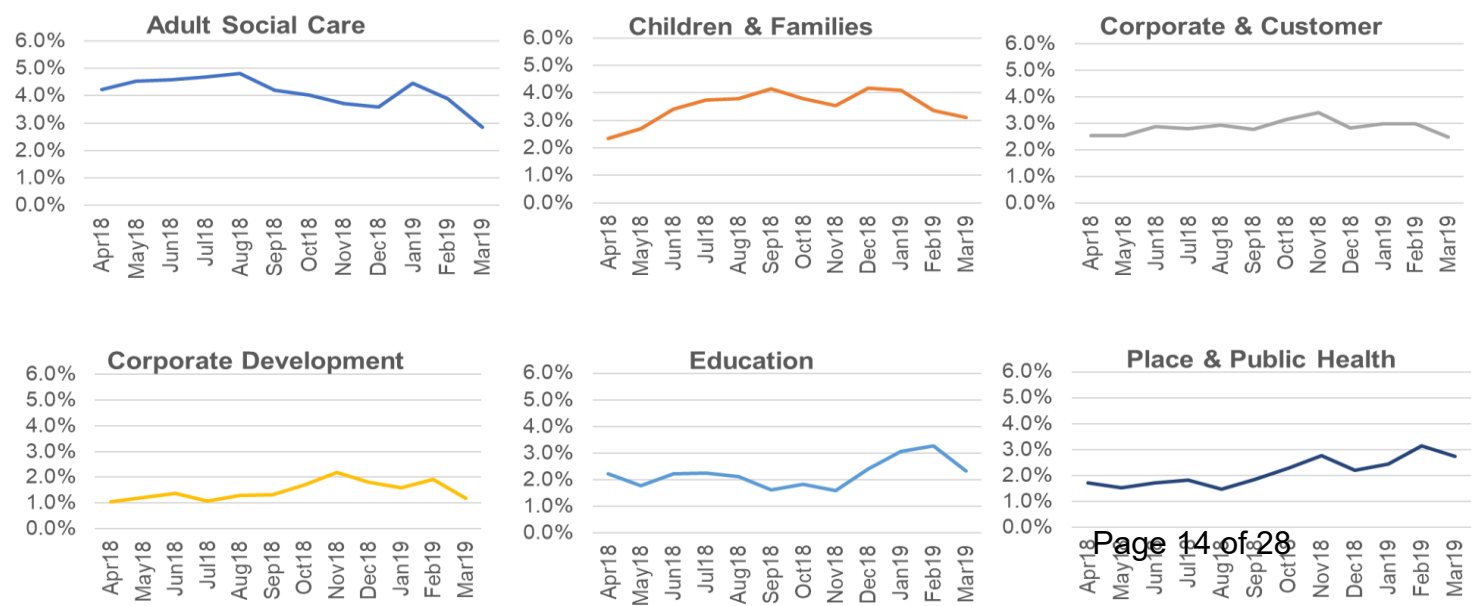
Essex County Council Sick Absence Levels
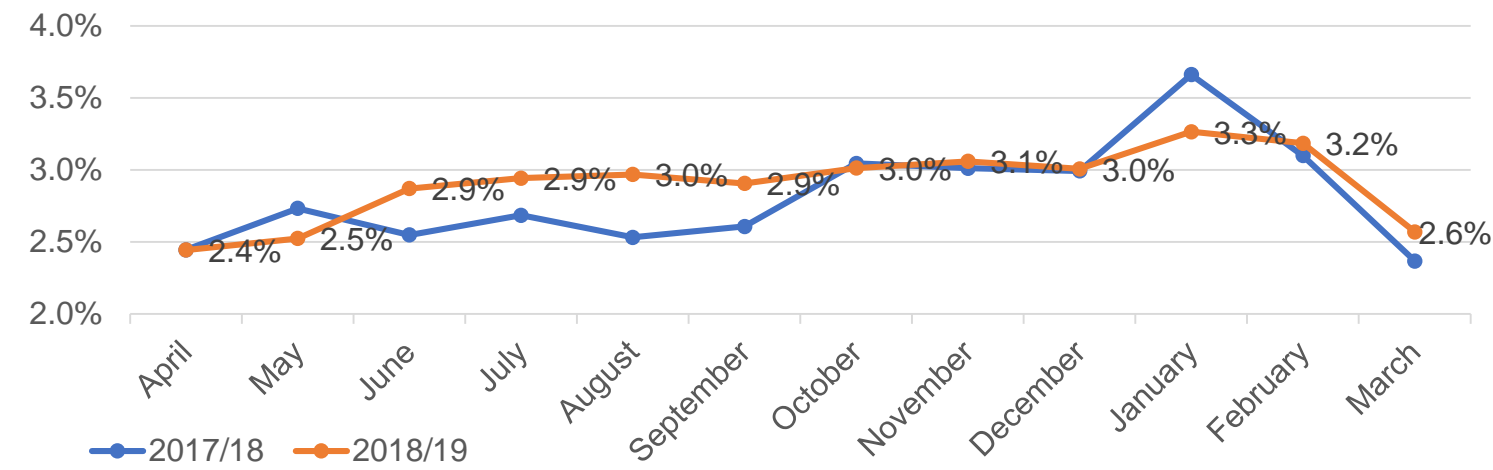
The overall sick absence rate for all ECC employees is currently 2.6% and over the last year has been averaging 2.4%

We compare favourably against other local government authorities with Xpert HR showing a comparable industry sick absence rate of 3.1%

Our absence rates do have season patterns as with most other organisations. The summer of 2018 (June-Sept) was higher than previous years with both internal (Org design) and external influences (Weather) likely having an impact.

These numbers must be considered alongside recent internal audit findings highlighted in the key issues which may lead us to believe there is an element of under-reporting.

Essex County Council Sick Absence Causes (Full Year 18/19)

Reason for Absence	2018/19	vs. Last Year	2017/18
Back and Neck Problems	5.0%	-0.8%	5.8%
Cancer	5.4%	+1.6%	3.7%
Chest, Respiratory	5.0%	-2.1%	7.1%
Eye, Ear, Nose, Mouth/Dental, Throat	2.7%	-0.2%	2.9%
Genito-Urinary/Gynaecological	2.7%	+0.4%	2.3%
Headache and Migraine	2.5%	-0.7%	3.2%
Heart, Blood Pressure, Circulation	2.2%	-0.5%	2.8%
Neurological	3.0%	-1.1%	4.1%
Operations, Including Recovery	11.1%	-3.1%	14.2%
Other/Unknown	0.0%	0.0%	0.0%
Pregnancy Related	2.1%	+0.7%	1.4%
Skin	0.6%	+0.4%	0.3%
Stomach, Liver, Kidney, Digestion	6.7%	+0.4%	6.3%
Stress, Depression and Mental Health	33.3%	+7.6%	25.7%
Upper or Lower Limb Problems	8.8%	-0.5%	9.3%
Viral Infection	8.8%	-2.0%	10.8%

The table on the left demonstrates the causes of sick absence for the year ending March 2019. The red or green status in the second column indicates the change from the previous year.
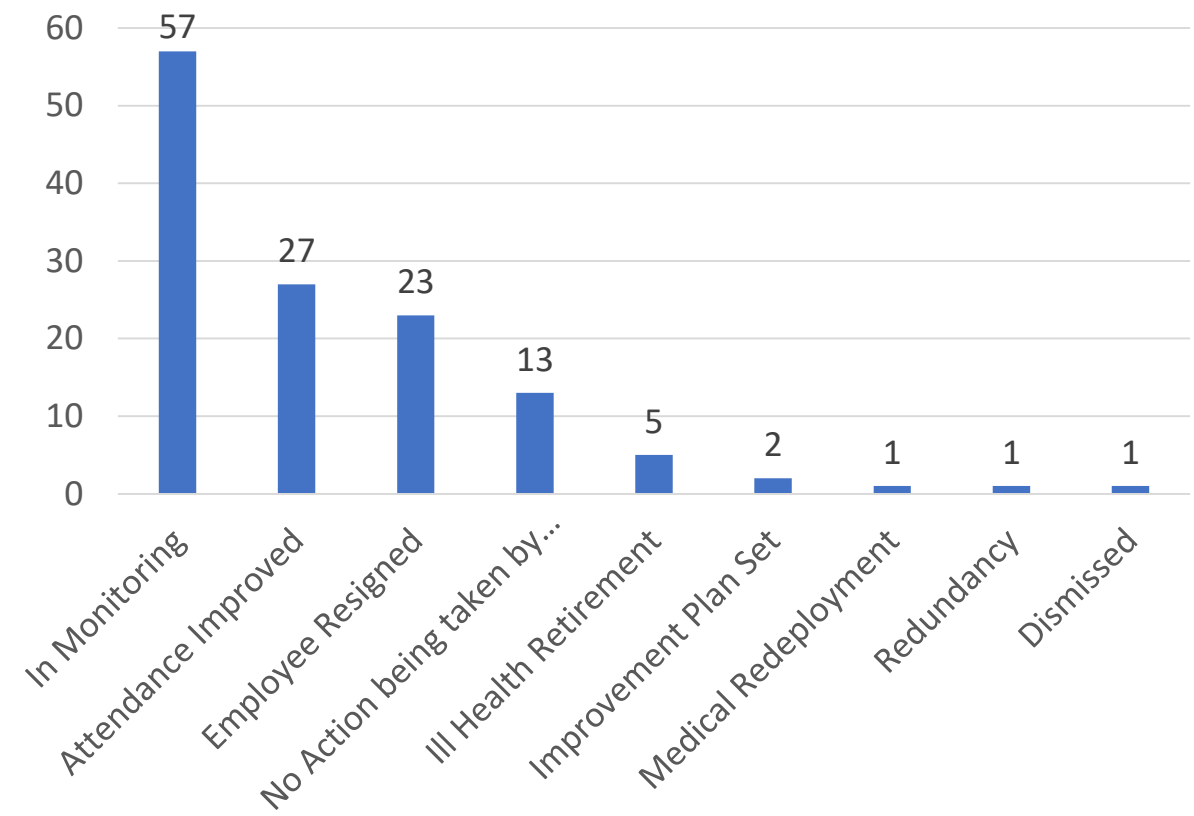
The biggest cause of sick absence remains Stress, Depression and Mental Health which has also increased by 7.6% since last year.

Social care functions have the highest absence attributable stress, depression and mental health.

% of all absences attributable to Stress, Depression and Mental Health (By Function)
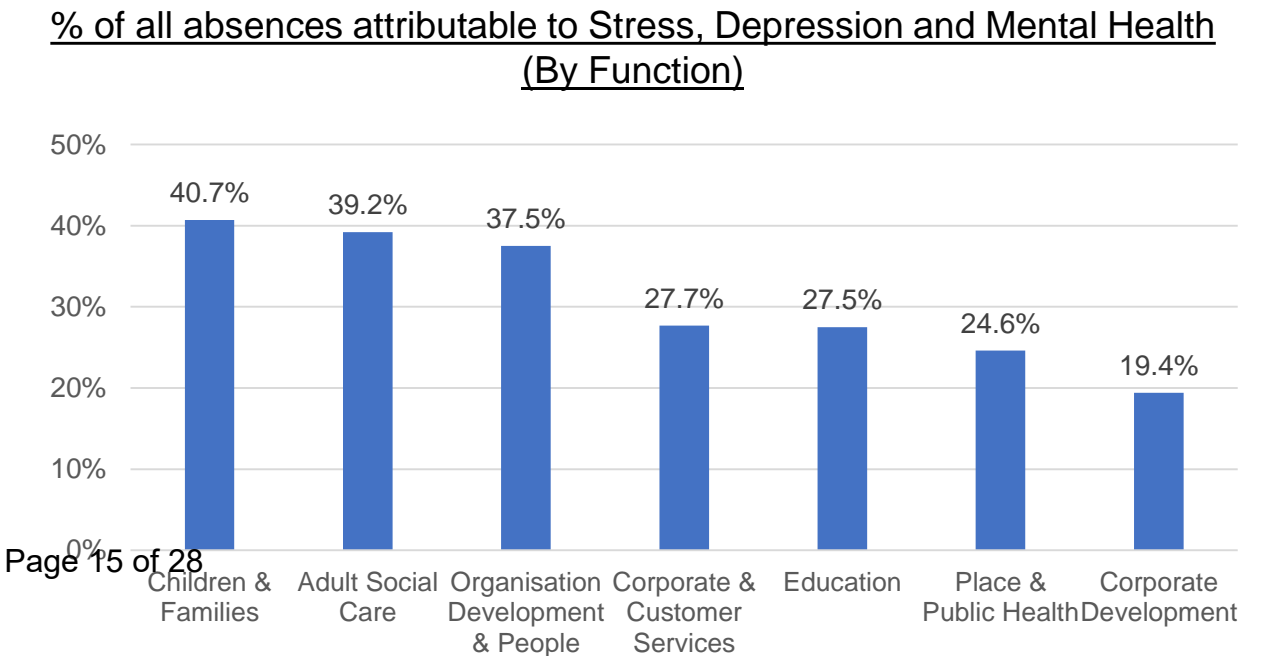
Sick Absence Casework (Full year 18/19)

The processes for managing casework is split between short term sick absence vs long term sick absence. In 2018 there were 180 formal cases for sick absence in total. The following graph shows the % of outcome of all cases in 2018, noting that there are still 57 case open and in monitoring status.

In Early 2019, ODP implemented new technology to better track casework. The new technology helps us stay on track, provides clear case ownership and enhanced reporting.
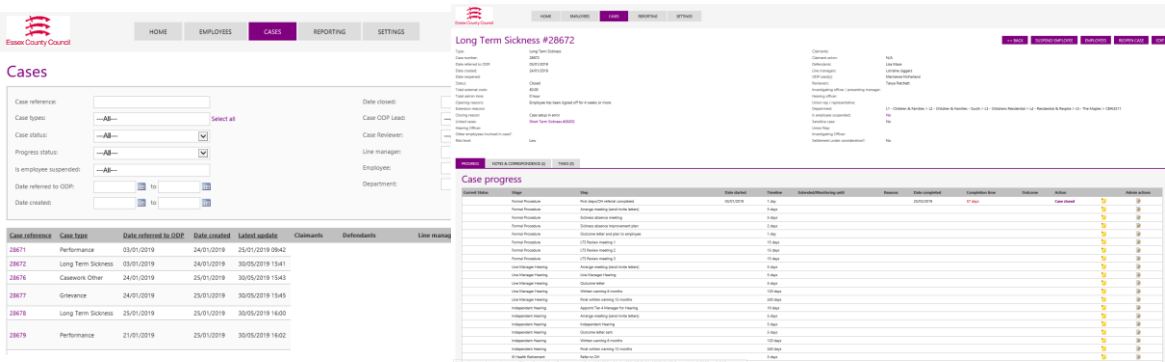
Managing short term sickness

The line manager will receive an email from People and Pay when their employee has been off sick for:

* 3 times in the last 12 months

* 10 days (in a row or added together) in the last 12 months.

Managing long term sickness

When the employee is anticipating being off work for four weeks or more in a row

*Formal cases don't include those cases managed and closed informally

Limited Assurance Audit

In 2018 there was an audit on Sick Absence of which the outcome was limited assurance. There were 3 major and 2 moderate risks. ODP continue to mitigate risks and further activity is planned through ODP and Technology services to further mitigate risks or entirely close the risk.

Recommendation	Risk Rating	Update
Completeness of Return to Work Action	Major	This risk relates to system notification to line managers when a return to work meeting needs to happen. As this is a change to core TCS functionality this requirement is built into the ERP Options work that technology services are currently working on. Periodic reporting is now in place via a manager workforce information dashboard.
Notification / reporting to line managers on compliance	Major	ODP are currently producing reports which highlight where employees are not meeting the absence management standards (triggers) for both short and long term absence. Line managers will then be proactively contacted where an absence management case has not been opened. This is a planned line manager notification as part of new Core HR technology.
Inconsistent / incorrect usage of TCS	Major	Reporting is produced by ODP for line managers to see non-usage of TCS to book annual leave. Reminders to book leave are sent out at periodic points e.g. Christmas shut down day.
Consequences of TCS for non recording sickness absence	Moderate	To be addressed through ODP activity on Employment Standards (Update on this area is included later in this slide deck).
Mandatory use of TCS for requesting and recording Annual Leave	Moderate	To be addressed through ODP activity on Employment Standards (Update on this area is included later in this slide deck).

Support for Employees

Employee Assistance Programme

The EAP has been in place since January 2018.

In the last 12 months has provided 401 sessions of support.

The highest use reasons are personal support & stress.

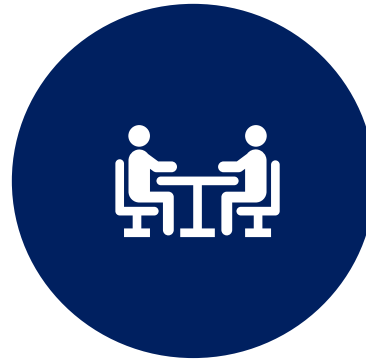Inline with absence cause data, social care functions are the highest users.

Mental Health First Aid Training

116 Mental Health first aiders trained.

184 line managers attending full day course.

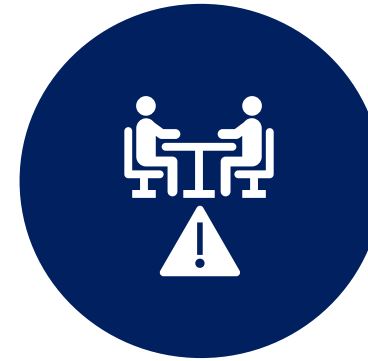185 employees attending half day awareness course.

In-House Counselling Team

The in-house counselling service has supported 323 employees.

The service was changed in 2018 to be based on line manager referral with the implementation of the EAP.

50% of referrals where due to personal support and 15% where for work related stress.

In-House Counselling Team: Critical Support

Critical support team for on-site support to vulnerable areas of the council.

The main areas of support has been for coroners, business support and the travellers unit.

Stress Awareness Month in April

Stress awareness month in April was promoted through employee communications and we re-launched the stress risk assessment tool.

https://intranet.essex.gov.uk/Pages/Managing_stress_in_the_workplace.aspx
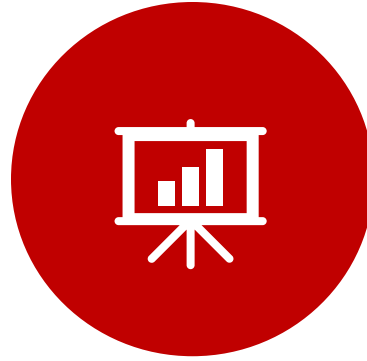
Support for Line Managers

People Service Centre

Access via portal, phone and email to the people service centre for advice and low-medium complexity casework as well as the front door to Occupational Health & Counselling

People Consultancy

People consultancy service for complex casework and line manager support

Absence Data (Workforce Information)

Refreshed workforce information tool to give up to date information on sick absence performance, causes and triggers for casework launched to all managers in June 19. (Further information late)
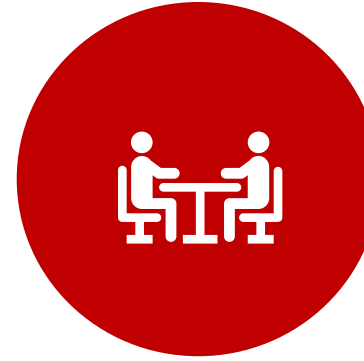
Occupational Health

Occupational health service for independent assessments, counselling referrals and employee assistance programme. Also for services such as access to work and workplace/equipment evaluations

Intranet Support

Intranet site for both employees and line managers to access for process, policy and advice.

https://intranet.essex.gov.uk/Pages/Sickness_Absence.aspx

Planned activity to address Key Issues

Our People Plan (Workforce Strategy) which was launched in 2018 called out several areas that will directly or indirectly affect absence management. Some of the areas have already been delivered such as better technology to track and manage casework, however some areas are in our work plan over the next 24 months.

Employee Standards Review

- A review of our management policies, practices and guidance

Wellbeing strategy

- Ensuring that what we offer our employees in terms of wellbeing offer is fit for purpose

People Analytics

- Making sure our data is visible to managers, that it drives an evidence based approach toward decision making and ensures compliance to policy

People Technology

- Introduction of new technology that is fit for purpose and enables a more productive way of working and that employees and managers can easily manage their time and absence in an effective and efficient way with automated links to payroll

Employee Experience

- Making sure that our employees have a good experience when they come to work every day, that they are enabled to work more productively and ensuring ECC is a desirable place to work

We will take a look at some of the areas of directly affect absence and absence management over in the next four slides.

Planned activity to address Key Issues - Employment Standards

We're designing new way of working in terms of employment policy, guidance and standards which moves away from restrictive policies and procedures to fluid frameworks offering greater local autonomy to manage cases consistently but taking account of all circumstances.

This scope will cover all employment policies including absence management

This will reflect the culture we need to deliver our organisational strategy

This will cover support for the employee as well as clear standards on reporting absence, return to work interviews and attendance levels

We will augment this with enhanced use of metrics and learning interventions where managers need support

We're looking to have this in place by January 2020

Planned activity to address Key Issues - Wellbeing Strategy

We're developing a new wellbeing strategy that's focused on physical, mental and financial health of our employees. It will focus on employee engagement in and employee ownership of wellbeing, the importance of the working environment on wellbeing and how active leaders support wellbeing.

In April, ODP ran a corporate wellbeing survey which attracted 800+ responses from all ECC functions. Key themes from the survey included:

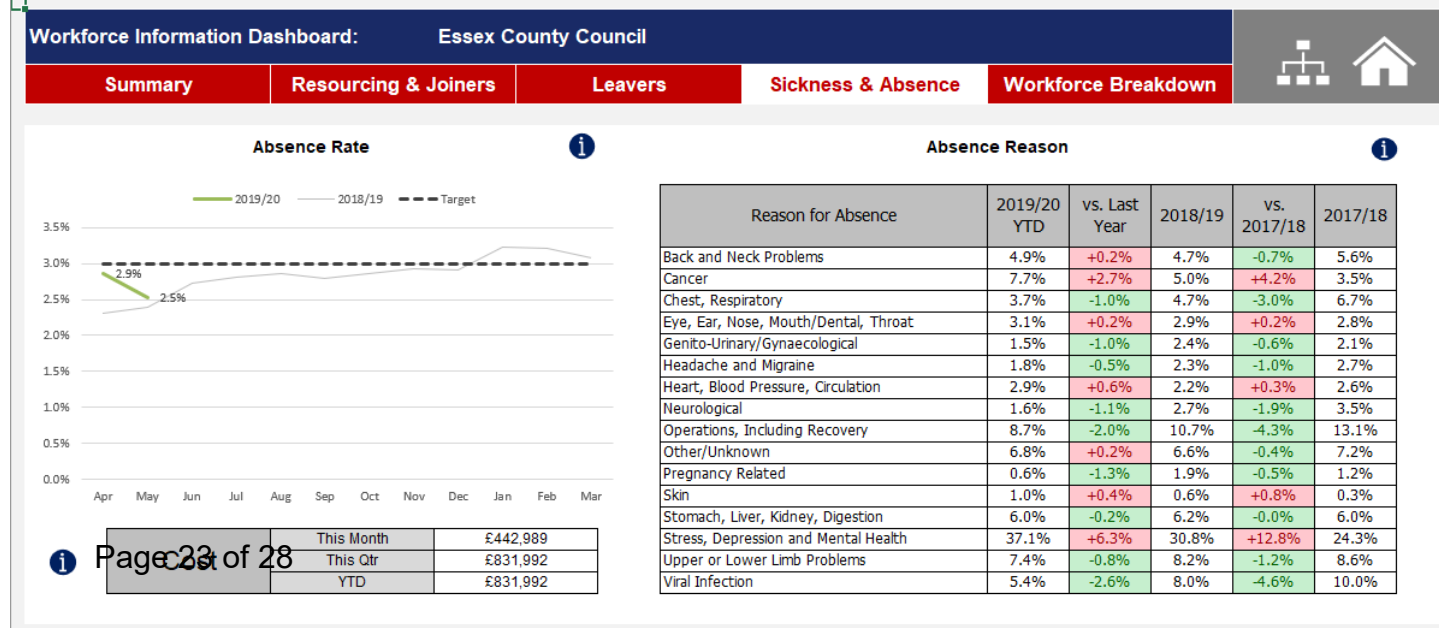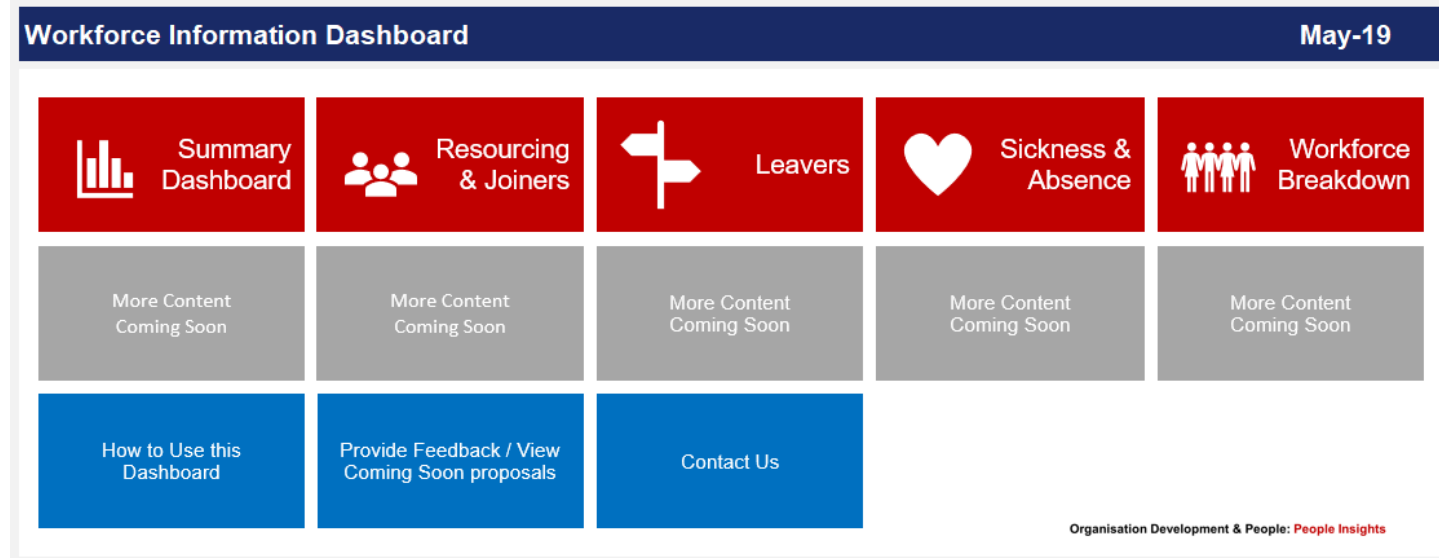|		
Generally positive perception of immediate line management	Good support and collaboration between team members	Employees feel confident, clear thinking and equipped with the right skills for their jobs
Working environment is not currently supporting employees' wellbeing	Lack of knowledge/awareness of wellbeing activities	Employee personal development not seen as being supported or valued

We will now use this insight to help design and develop our wellbeing strategy including fit for purpose service offer. We're aiming to launch the new wellbeing strategy in the Autumn.

Planned activity to address Key Issues – Workforce Information

In June we launched a new workforce information dashboard to all line managers at ECC. This dashboard looks at broad workforce related subjects including sick absence.

The dashboard will be continuously developed however by the autumn it's expected to have the following sick absence data at all levels of the ECC hierarchy for the following measures

- Absence Rate
- Cost of Absence
- Absence Reason breakdown
- Multiple occasions of absence
- Length of absence
- Return to work completed %
- Stress, Depression & Mental health absence occurrences, duration and proportion that are work related
- Pattern Absence

Workforce Information Dashboard — May-19

Summary Dashboard	Resourcing & Joiners	Leavers	Sickness & Absence	Workforce Breakdown
More Content Coming Soon	More Content Coming Soon	More Content Coming Soon	More Content Coming Soon	More Content Coming Soon
How to Use this Dashboard	Provide Feedback / View Coming Soon proposals	Contact Us		

Organisation Development & People: People Insights

Workforce Information Dashboard: Essex County Council

Summary | Resourcing & Joiners | Leavers | **Sickness & Absence** | Workforce Breakdown

Absence Rate

2019/20 — 2018/19 — Target

2.9% — 2.5%

Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar

This Month	£442,989
This Qtr	£831,992
YTD	£831,992

Absence Reason

Reason for Absence	2019/20 YTD	vs. Last Year	2018/19	vs. 2017/18	2017/18
Back and Neck Problems	4.9%	+0.2%	4.7%	-0.7%	5.6%
Cancer	7.7%	+2.7%	5.0%	+4.2%	3.5%
Chest, Respiratory	3.7%	-1.0%	4.7%	-3.0%	6.7%
Eye, Ear, Nose, Mouth/Dental, Throat	3.1%	+0.2%	2.9%	+0.2%	2.8%
Genito-Urinary/Gynaecological	1.5%	-1.0%	2.4%	-0.6%	2.1%
Headache and Migraine	1.8%	-0.5%	2.3%	-1.0%	2.7%
Heart, Blood Pressure, Circulation	2.9%	+0.6%	2.2%	+0.3%	2.6%
Neurological	1.6%	-1.1%	2.7%	-1.9%	3.5%
Operations, Including Recovery	8.7%	-2.0%	10.7%	-4.3%	13.1%
Other/Unknown	6.8%	+0.2%	6.6%	-0.4%	7.2%
Pregnancy Related	0.6%	-1.3%	1.9%	-0.5%	1.2%
Skin	1.0%	+0.4%	0.6%	+0.8%	0.3%
Stomach, Liver, Kidney, Digestion	6.0%	-0.2%	6.2%	-0.0%	6.0%
Stress, Depression and Mental Health	37.1%	+6.3%	30.8%	+12.8%	24.3%
Upper or Lower Limb Problems	7.4%	-0.8%	8.2%	-1.2%	8.6%
Viral Infection	5.4%	-2.6%	8.0%	-4.6%	10.0%

Planned activity to address Key Issues – People Technology

Our current technology is not fit for purpose. The time and absence reporting is part of our payroll/finance enterprise resource planning system (TCS) and does not deliver key areas of functionality. While investment could be made to change the current system, the changes would be costly and take significant time to implement. Therefore it's unlikely we would see any return on investment over the remaining two years of the contract. ODP already working with Technology Services to identify the requirements that will need to be considered when procuring the next generation of technology. For example:

A Core HR module / System that is easy and efficient to use that can be configured and controlled by ECC to make quick changes

Enhance notifications line managers e.g. when triggers are met with automatic links to other areas of the business (e.g. automatic deduction of payroll, casework setup etc) to drive productivity

Move away from a one size fits all process (e.g. Education will want to record time and absence in a different way to corporate services – hours vs days)

CORPORATE POLICY AND SCRUTINY COMMITTEE

WORK PROGRAMME 2019/20 – (ADOPTED BY SEPTEMBER 2018 COMMITTEE MEETING)
Approach to topic selection – where can the committee conduct reviews quickly, influence change and make a difference to the residents of Essex

Date/Timing	Issue/Topics	Focus/other comments	Approach	RAG
June 2019				
June 2019	ECC Sickness Absence	Committee to receive a report on the levels of sickness absence for ECC employees for 2018/19	Presentation by Cabinet Member and relevant Director	
July 2019				
July 2019	Future of Resourcing Services – Temporary Workers Supply	Committee to receive an update on the progress of the implementation of the Temporary Workers Supply contract and the draft copy of the contract	Presentation by Cabinet Member and relevant officers	
July 2019	Ringway Jacobs Contract Extension	Committee to receive formal response to Task and Finish Group meeting recommendations	Presentation by Cabinet Member and relevant officers	
August 2019				
NO MEETING PLANNED				
September 2019				
September 2019	Delivery Risk Assessment Update	Committee to receive six monthly update on the progress of delivery risk assessment	Presentation by Cabinet Member and relevant officers	

September 2019	Work Programme Planning	Committee to identify items for consideration for its future work programme	To be supported by Cabinet Member and relevant officers	
October 2019				
October 2019	Budget Out-turn	Regular half-yearly updates after Cabinet	1. To be half-yearly 2. Cabinet Member and/or relevant officer to present 3. To identify any particular issues for further 'dive' on an ongoing basis	
October 2019	ECC Organisation Strategy	Committee to be engaged with future business plan for 2021 – 2024	Presentation by relevant Cabinet Member and officers	
November 2019				
November 2019	Property Investment Portfolio	To receive an in-depth update on the latest position on ECC's property investment programme	Presentation by relevant Cabinet Member, Director and Officers	
November 2019	Property portfolio	Value of ECC Estate and disposal strategy	1) The current value of ECC's property estate 2) Breakdown of ECC property estate and their values 3) Details of ECC's disposal strategy	
November 2019	Budget 2020/21	Committee looking to undertake a pre-scrutiny exercise on ECC's budget for 2020/21	Involvement from Cabinet Member and relevant officers	
Topics suggested being pursued				

TBC	Brexit	Committee to receive an update on the impact Brexit will have on ECC	Presentation by the Chief Executive	
TBC	Social Care Providers	Review ECC's process of dealing with providers who are in a difficult financial position – possible Task and Finish Group	To be determined	
Topics suggested to be pursued				
TBC	Customer Contact Centres	To be determined	To be determined	
TBC	Essex Legal Services – update on external service charging	To be determined	To be determined	
TBC	I.T – update on 'Azure' system	To be determined	To be determined	