Essex County Council

ECC PT1 Final Internal Audit Report - Absence Management - 202223 SC

AGS Committee - Update

18 December 2023

Background to Audit Findings

Absence Management (AM) was last audited in 2017/18 when the corporate absence management system was TCS. At this time a Limited Assurance opinion was awarded and there are two Major audit actions which remain outstanding for which TCS was cited to be a limiting factor:

- notifications to line managers and management information on compliance (Ref 50 on Pentana)

- notifications and management information on completeness of return-to-work action (Ref 51 on Pentana)

Absence is now managed via My Oracle self-serve system (introduced in October 2021), with staff entering their absence request e.g., holiday leave, sickness or other, with approval and management by their Line Manager via system workflows. At the time of audit commencement some issues remained in relation to User Acceptance Testing (UAT) in respect of accounting for an additional bank holiday in 2022/23, complications around various contracts, part-time workers and carry forward allowances.

Evidence was gathered in support of sickness and holiday / other absences and some high-level testing undertaken to determine compliance with the Sickness Absence Policy, Holiday Policy and the ECC Time Off and Leave Policy (other absence). It was noted that reporting and recording supporting evidence remains a weakness where there are different contract types, part-time working etc.

Findings

Two major and three moderate recommendations have been made relating to:

- Management assurance around sickness documentation and evidence (Major) - #0603 – 31/03/2024

- Carry forward of annual leave balances (Major) - #604 – 31/03/2024

- MI Tool – Reporting (Moderate) - #602 – 31/03/2024

- Absence Policies (Moderate) - #605 – 31/03/2024

- Sickness Benchmarking (Moderate) - #607 – 31/03/2024

Management assurance around sickness documentation and evidence

Agreed Action

1. Independent control processes to review compliance on a regular basis must be implemented (consider quarterly) across all functions via sample spot checks to ensure expected criteria is being met and recorded correctly within My Oracle e.g.;

• sufficient supporting evident to justify recorded absence (fit note correctly attached);

• correct period of absence have been recorded within My Oracle and covered by relevant self-certification / fit note / return to work interviews etc.; and

• formal procedures are implemented at specific trigger points.

2. Where outcomes from this checking identify any gaps in assurance or examples of non-compliance, individuals and line managers should be held accountable.

Note: this does not have to be a disciplinary matter, but rather a positive process to flag common themes of non-compliance to help drive continuous improvements. In the event that the same individuals are found to regularly be in breach of expectations, stronger consequences could be considered.

Initial Deadline: 31/03/2024

Update

1. Full end to end process map due for completing in Jan – this will highlight a full roles and responsibilities across the absence process.

   From this, Control Processes will be built and fully tested. First analysis due Q4. Interim "sheep dip" testing will commence in Jan.

2. The flow process will identify how to drive absence compliance in this self-service area and with it, how to enable greater manager compliance.

Carry forward of annual leave balances

Agreed Action

1. Continue with the work to confirm that accuracy of the report balances and monthly conversations with Executive Directors and Directors across the functions, to enable leave to be proactively monitored and managed to ensure adherence to the Holiday Leave Policy.

2. Additional deep dive activity may be required to understand where high levels of leave may be forfeited through apparent non-use of My Oracle (potential disciplinary issue) or where recording of leave / assignment types may affect the calculations within My Oracle.

Initial Deadline: 31/03/2024

Update

1. Report balances are fully correct, assessment of utilisation still underway.

Absence data is made available to managers through MI tool and for ED's via their monthly Functional and quarterly CLT People Performance Pack.

2. Deep dive analysis ongoing. Focus on highlighting longer term and repetitive absence.

In addition, a full management information review will be undertaken to analyse who can / cannot complete absence requests and who is/is not completing any form of absence request.

MI Tool - Reporting

Update

1. MI Tool now covers; rate (against target), financial impact, reason, mid & long term, and repetitive sickness.

2. Manager dashboard contains basic information in My Oracle and analysis ongoing as to potential for a manager absence dashboard.

3. Function Level People Performance Packs delivered to CLT members monthly. CLT members requested to cascade information in their functions and drive management accountability directly.

Agreed Action

1. Evolve the current MI Tool to include greater visibility on staff sickness levels.

2. Explore the potential to build this into the My Oracle Management Report Catalogue.

3. Provide analysis and insight via the People Insight Service and other data teams, to identify trends and patterns, per Function, which may require executive attention.

Initial Deadline: 31/03/2024

Absence Policies

Update

1. New policy due for launch in Q4. Once approved and launched, intranet and supporting systems will have links updated.

2. Alternative supporting documents to be updated in Jan-24

Agreed Action

1. The Sickness Absence Policy is currently under revision and awaiting final revisions prior to sign-off. All associated documents and links should be updated as part of the Policy approval process.

Where revisions are made to Policy or supporting information all associated version dates must be amended to enable the reader to be clear that they have the relevant version. All hyperlinks and referenced documents should be tested to ensure they work and return the necessary information.

2. Review the Time off and Leave Chart in conjunction with the ECC Time off and Leave Policy to ensure that they are an up to date and accurate reflection of process at the next review period..

Initial Deadline: 31/03/2024

Benchmarking

Update

Agreed Action

Benchmarking data should continue to be gathered to enable the current data to be used to undertake the required benchmarking to enable ECC to demonstrate that targets remain broadly similar or better than absence rates submitted by other Authorities.

Initial Deadline: 31/03/2024

In June 2023 we set out to build a group of local government people insight reps to share data for peer benchmarking purposes. We were able to gain 4 responses in total.

To be able to gather a robust set of peer benchmarking data we aim for a higher response rate.

We are planning to send out a FOI to all County Councils containing a standard set of people insight-based questions. The plan is to send this out end of January 2024, to be able to capture data for Jan-Dec 23.

Essex County Council

This information is issued by:
Essex County Council

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The information contained in this document can be translated, and/or made available in alternative formats, on request.

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