



**OVERVIEW AND SCRUTINY COMMITTEE - SITTING AS A SELECT COMMITTEE**

**Date: Wednesday, 14 November 2018**

**Time: 6.00pm,**

**Location: Autun Room - Daneshill House, Danestrete**

**Contact: Fungai Nyamukapa**

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**Members:**                      **Councillors:**            L Martin-Haugh (Chair), P Bibby CC (Vice-Chair),  
S Barr, J Brown, M Downing, J Fraser, ME Gardner,  
J Hanafin, L Kelly, J Mead, S Mead, A Mitchell CC,  
R Parker CC and S-J Potter

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**AGENDA**

**PART 1**

**1. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

**2. MINUTES**

To approve as a correct record the Minutes of the Overview and Scrutiny Committee meeting held on 08 October 2018

Pages 3 – 6

**3. REVIEW OF SBC SICKNESS MANAGEMENT**

To consider the SBC Sickness Management documents and interview witnesses for the review

Pages 7 – 12

**4. URGENT PART I BUSINESS**

To consider any Part I business accepted by the Chair as urgent

**5. EXCLUSION OF PRESS AND PUBLIC**

To consider the following motions:

- 1        That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt

information as described in paragraphs 1-7 of Part 1 of Schedule 12A of the Act as amended by SI2006 No. 88

- 2 That Members consider the reasons for the following reports (if any) being in Part II and determine whether or not maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure

**6. URGENT PART II BUSINESS**

To consider any Part II business accepted by the Chair as urgent

Agenda Published **06 November 2018**

## STEVENAGE BOROUGH COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE MINUTES

Date: Monday, 8 October 2018

Time: 6.00pm

Place: Shimkent Room - Daneshill House, Danestrete

**Present:** Councillors: Lin Martin-Haugh (Chair), Philip Bibby CC (Vice-Chair), Sandra Barr, Michael Downing, Jody Hanafin, Michelle Gardner, Lizzy Kelly, John Mead, Sarah Mead and Adam Mitchell CC

**Start / End Time:** Start Time: 6.00pm  
End Time: 6.50pm

#### 1 **APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST**

Apologies for absence were received from Councillors J Brown, J Fraser, R Parker CC and S-J Potter.

There were no declarations of interest.

#### 2 **MINUTES - 10 SEPTEMBER 2018**

It was **RESOLVED** that the Minutes of the Overview and Scrutiny Committee Meeting held on 10 September 2018 are approved as a correct record and signed by the Chair.

#### 3 **PART I DECISIONS OF THE EXECUTIVE**

##### **Minutes – Overview and Scrutiny Committee and Select Committees**

The Committee noted the comments of the Executive.

##### **The Formation of a wholly owned Housing Development Company**

The Assistant Director (Housing Development) introduced the report on the formation of a wholly owned housing development company. Members were informed that a report comprising a fully costed financial projection of the wholly owned company (WOC)'s operational activities and a Business Plan will be brought to a future Executive meeting.

Members asked that security of tenure be considered to aid social cohesion.

In response to questions, the Assistant Director informed Members that:

- It was standard market practice for purchasers to negotiate discounts on multiple property purchases. Discounts received by the WOC would,

- ultimately be to the benefit of the Council when the assets are sold
- There was no risk of competition between the proposed housing development company and properties that were provided under the Housing Revenue Account and General Fund's existing development programmes
  - Income from the proposed company would boost the Council's General Fund (GF) and ultimately could contribute towards the provision of more social housing when decisions to prioritise spend were made by the Council
  - The Council was facing revenue and capital pressures related to the one percent reduction for HRA rent setting introduced by the previous Government
  - There was a shortage of good quality private sector housing in Stevenage and any delays in formation of the proposed company would result in a loss of income
  - The proposed company would buy services from the Council, subject to procurement protocols and assurances over quality
  - Tenancies offered by the WOC will not be the same as those offered under current Council arrangements through the HRA. Officers were exploring tenancy models including twelve month tenancy with extension options that would provide added security to prospective tenants
  - The governance arrangements and structure of the proposed SBC WOC would be different from the set up in other local authorities as they had to be personalised to the Council's priorities

It was **RESOLVED** that the following Part I decisions of the Executive are noted:

1. Minutes of the Executive – 5 September 2018
2. Minutes of the Overview & Scrutiny Committee and Select Committees
3. The formation of a wholly owned Housing Development Company

#### 4 **DIVERSITY IN SBC WORKFORCE**

The Committee considered the Stevenage Borough Council (SBC) Workforce Diversity Statistics. The Council undertook equality and diversity assessments on new policies, policy reviews and major projects. There was a legal obligation for the Council to publish gender pay gap figures annually. The next report is due in March 2019 but provisional assessments indicate that the Council's gender pay gap position has improved.

In response to questions about low percentages of some ethnic groups, the Senior Human Resources Manager indicated that the statistics were broadly reflective of the Stevenage community and were similar to figures of other local authorities in the region. There was no obligation on staff to disclose protected characteristics. The Council's recruitment procedures were fair and inclusive. Members were informed that there had been no evidence of discrimination against any ethnic group, religion or gender.

It was **RESOLVED** that the statistics are noted.

5        **SBC SICKNESS MANAGEMENT SCOPING DOCUMENT**

The Scrutiny Officer and the Senior Human Resources Manager presented the scoping document for SBC Sickness Management for Members to consider.

Members were informed that a strategy was now in place to reduce sickness absence. The Council was now able to produce a monthly sickness absence report that included details of sickness categories (short term and long term) and reasons for sickness. Members recommended that numbers, percentages and day trends be included in the sickness data report.

It was **RESOLVED** that the scoping document is noted.

6        **URGENT PART I DECISIONS AUTHORISED BY THE CHAIR OF OVERVIEW AND SCRUTINY COMMITTEE**

None.

7        **URGENT PART I BUSINESS**

None.

8        **EXCLUSION OF PRESS AND PUBLIC**

It was **RESOLVED**:

1.        That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as described in paragraphs 1 – 7 of Part 1 of Schedule 12A of the Act as amended by Local Government (Access to Information) (Variation) Order 2006.
2.        That Members consider the reasons for the following reports being in Part II and determine whether or not maintaining the exemption from disclosure of the information contained therein outweighs the public interest in disclosure.

9        **PART II DECISIONS OF THE EXECUTIVE**

The Assistant Director (Stevenage Direct Services) introduced the Garage Business Plan Update.

Members asked a number of questions about the update which were answered by officers.

It was **RESOLVED** that the following Part II decisions of the Executive are noted:

1.        Part II Minutes – 5 September 2018
2.        Garage Business Plan Update

10 **URGENT PART II DECISIONS AUTHORISED BY THE CHAIR OF THE  
OVERVIEW AND SCRUTINY COMMITTEE**

None.

11 **URGENT PART II BUSINESS**

None.

**CHAIR**

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**Meeting: OVERVIEW AND SCRUTINY**

**Agenda Item:**

Portfolio Area: Resources

**Date: 14 November 2018**

## **SICKNESS ABSENCE**

### **NON-KEY DECISION**

Authors – Clare Davies Ext. 2164  
Contributors – Sue Vanneck and Kirsten Frew  
Lead Officers – Scott Crudgington Ext. 2185  
Contact Officer – Richard Protheroe Ext. 2938

#### **1 PURPOSE**

- 1.1 The purpose of this report is to provide information on sickness absence for the period 1 October 2017 to 30 September 2018.
- 1.2 This is not a key decision because it is for information only.

#### **2. BACKGROUND**

- 2.1 Over the last twelve to eighteen months we have seen an increasing trend in sickness absence. In January 2017 sickness absence was at 8.27 days (against an 8.5 day target). At the end of May 2018 sickness absence was at 9.71 days. However, since then there has been a consistent downward trend for four consecutive months, with the end of September 2018 sickness absence position being 8.91 days (per person, per year).
- 2.2 Key challenges for Stevenage Borough Council over last twelve to eighteen months have included significant organisational change and it is important to recognise the impact this has on employee health, wellbeing and engagement
  - Future Council Business Reviews – Following analysis of the sickness absence data we have identified that absence directly attributed to change has accounted for absence of on average 1.5 days sickness absence per month.
  - Implementation of new HR System (April 2017) – The impact of the new HR and Payroll Systems has been two fold. Firstly for the period April – December 2017, there was no sickness absence management reporting information due to building and implementing the new system. However, with once the new system was implemented there has improved accuracy in the data, as the HR System now holds employee working patterns and the sickness data is therefore now able to accurately record working hours lost. This has accounted for an increase of approx. 0.5 days sickness absence.

### 3.0 SICKNESS ABSENCE INFORMATION

#### 3.1 Overall Sickness Absence Position at Stevenage Borough Council as at 30 September 2018.

3.1.1 Early indicators of an increase in sickness absence, prompted SLT and HR team to review how absence is managed overall. Following a review of sickness absence in February 2018, SLT agreed to set individual Business Units sickness absence targets, reflecting the differing challenges that the variety of our services face, but ensuring the targets were still stretching (see targets and performance against targets in the table below)

Service	Sickness days taken Oct 17 to Sep 18				Days lost per FTE			Targets	
	Sep 18 FTE	Short term FTE days lost	Long term FTE days lost	Total FTE days lost	Short Term Days lost per FTE	Long Term Days lost per FTE	Total Days lost per FTE	Individual BU Targets	Over or under target
Communities and Neighbourhood	45.78	239.72	311.18	550.90	5.24	6.80	12.03	5.00	over
Corporate Projects, Customer Services and Technology	68.70	289.49	258.89	548.38	4.21	3.77	7.98	5.00	over
Corporate Services and Transformation	49.35	72.49	64.51	137.00	1.47	1.31	2.78	5.00	under
Finance and Estates	32.48	129.28	93.00	222.28	3.98	2.86	6.84	5.00	over
Housing and Investment	131.72	624.69	446.00	1070.69	4.74	3.39	8.13	9.00	under
Housing Development	4.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	under
Planning and Regulatory	39.30	173.91	70.69	244.60	4.43	1.80	6.22	5.00	over
Regeneration	7.00	9.00	0.00	9.00	1.29	0.00	1.29	1.00	over
Stevenage Direct Services	176.80	988.88	1201.95	2190.83	5.59	6.80	12.39	11.00	over
Strategic Management Board	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	under
<b>Grand Total</b>	<b>558.13</b>	<b>2527.46</b>	<b>2446.22</b>	<b>4973.68</b>	<b>4.53</b>	<b>4.38</b>	<b>8.91</b>	<b>8.00</b>	<b>over</b>

## 3.2 Comparison with national and local sickness absence trends

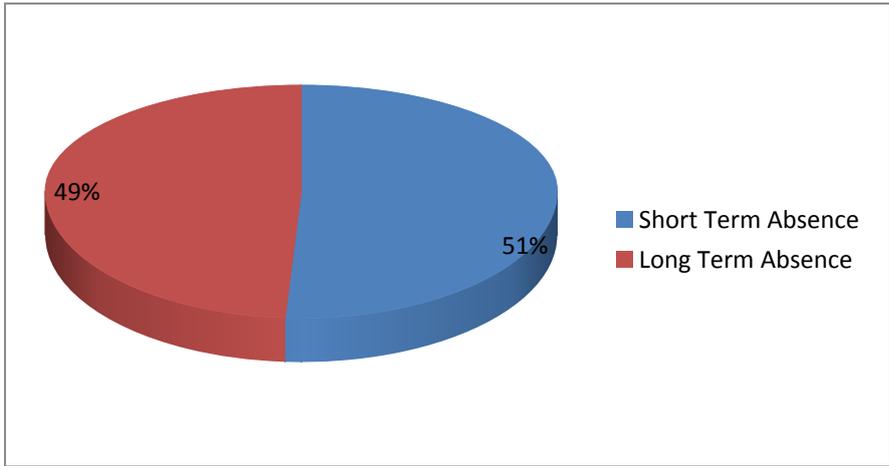
- 3.2.1 In comparison to national figures, which have seen a downward trend to 6.3 days, public sector has seen fluctuation over recent years and last years' average was 8.5 days (CIPD Absence Survey 2017).
- 3.2.2 There is significant research by the Health and Safety Executive (and others) to inform us that some of our operational services, particularly Waste services will have a higher than average level of sickness absence, which research from 2009 indicating average levels of absence in Waste and Refuse are at 12.8 days.
- 3.3.3 Stevenage Borough Council reports absence in days. However, for benchmarking purposes the Stevenage Borough Council figure (30 September 2018) of 8.91 days absences translates to 3.55% for point of comparison with the table below.

Years	Sickness absence rates as percentage of working hours lost			
	Public sector organisations			Private sector
	Central Gov.	Local Gov.	Health	
2010	2.6	3	4	1.9
2011	2.6	2.8	3.9	1.8
2012	2.3	2.7	3.8	1.9
2013	2.9	2.7	3.5	1.8
2014	1.9	2.7	3.8	1.7
2015	2.7	2.8	3.7	1.8
2016	2.4	2.7	3.5	1.7
2017	2.1	2.6	3.3	1.7

Source: Labour Force Survey person datasets3

## 3.4 Long Term and Short Term Absence

- 3.4.1 From analysing historical sickness absence data it has been identified that there has generally been an balance between the split of short and long term sickness absence. The Council have differing policies approaches to managing short and long term sickness absence.
- 3.4.2 The Council provide support to those on sickness absence and those with disabilities and some of the support available to staff in detailed in section 4 below.



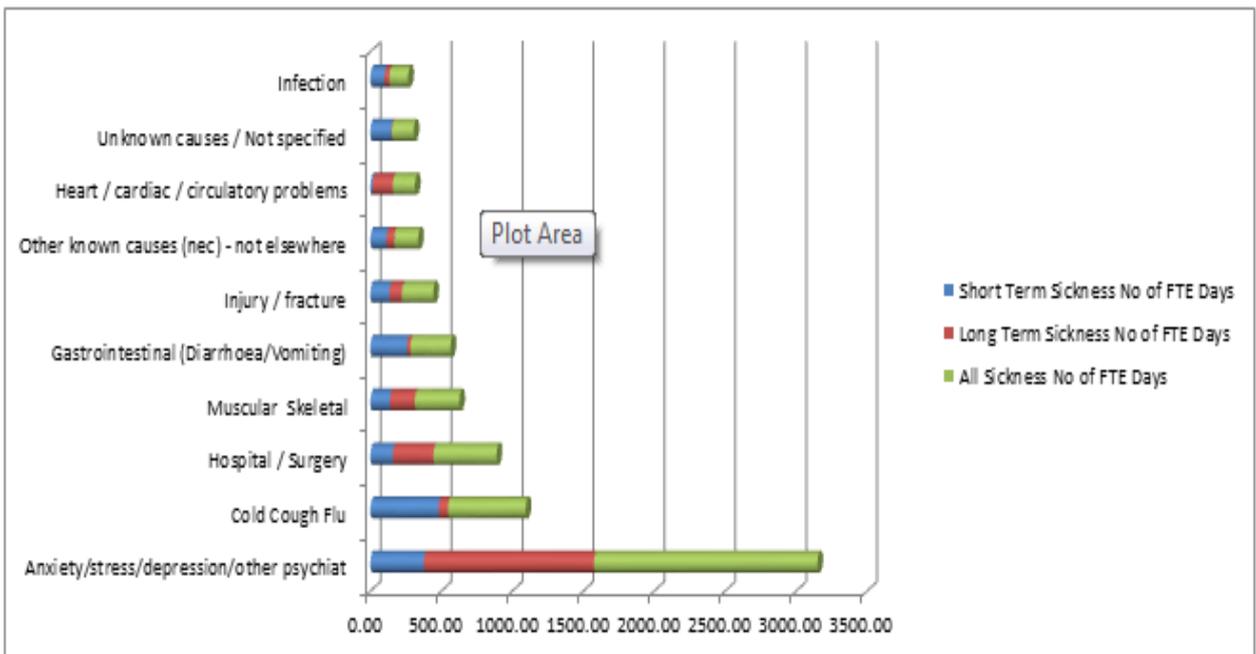
**3.5 Cost of Sickness Absence**

3.5.1 The cost of sickness absence for the period 1 October 2017 to 30 September 2018 is £476,502.65. This figure is basic pay only. It excludes on costs and costs to backfill posts (agency costs etc). In addition, this doesn't reflect any loss of productivity or increased complaints for such things as missed bins etc. from job being carried out by less experienced staff or agency staff.

3.5.2 If you translate the cost of sickness absence into posts, based upon our average salary, this would equate to an additional 15 FTE.

**3.6 Reasons for Sickness Absence**

2.5.1 Please see table below detailing the top ten reasons for sickness absence. Stevenage Borough Council top reasons align with national trends, with stress/anxiety depression/cold flu and mental health featuring in the top three reasons for absence.



## **4.0 SUPPORT AVAILABLE TO EMPLOYEES**

4.1 The Council recognises the importance of early intervention and support to staff can help to avoid the absence or reduce the length of the absence. In addition to pro-active solutions, it is important that reactive resolutions and measures are in place and are successful in identifying and supporting individuals with ill health. The Council:

- Provide a free and confidential Employee Assistance Programme and occupational health to support staff.
- Provides phased returns to support employees returning after long term sickness absence
- Provides reasonable adjustments to employees with disabilities
- Has trained mental health first aiders to support and signpost employees
- Stress and resilience workshops are being made available to staff
- Flu jabs have been provided
- Lunchtime wellbeing walk initiative
- Crafty lunches initiative
- Stress Policy
- Flexi-Time
- Flexible Working Policy
- Volunteering Policy
- Charity Events and Dress Down Days
- New appraisal process, REAL Conversations, which includes information on discussing employee health and wellbeing
- Staff Wellbeing Events – Rounders/Summer Picnic etc.

## **5. MANAGEMENT SUPPORT**

5.1 The HR team provide absence monitoring data, support and advice to line managers to help them improve attendance levels and, to identify appropriate support for employees. A new monthly sickness report is being provided to Assistant Directors which sets out a month by month highlight report for each service including number of days lost, key reasons for absence and costs and recorded manager action taken.

5.2 SLT and Managers are required to take appropriate action under the Sickness Absence policy to ensure that attendance rates improve.

5.3 2018 was the first time that SLT set individual Business Unit sickness absence targets, which ensured the targets were stretching, but realistic. This also supported the whole organisation to achieve the overall target, recognising that some operational services are likely to have higher levels of sickness absence.

5.4 The Council are also in the progress of preparing to implement a third party sickness absence provider (First Care) who will provide a nurse led sickness reporting facility for all employees, which will provide advice and challenge on

fitness for work to both individuals and managers and ensure consistency of approach/advice on sickness absence. They will also follow up to ensure appropriate application of policy and return to work and provide regular and timely management information. First Care advise that they are likely to reduce sickness absence by somewhere between 15-25% over a 5 year period, with a predicted 2% reduction in year one.

## **6. IMPLICATIONS**

### **6.1 Financial Implications**

Under the Green Book the maximum amount of contractual sick pay after five years local government service is six months at full pay, six months half pay. There are also the financial costs involved in temporary cover of long-term sickness cases to maintain service delivery.

### **6.2 Legal Implications**

Sickness records are a protected category under the Data Protection Act provisions in relation to employee records.

### **6.3 Equalities and Diversity Implications**

The Council has an obligation to make reasonable adjustments to allow a disabled employee to continue working or to join the organisation.

### **6.4 Risk Implications**

None identified

### **6.5 Other Corporate implications**

The Council aims to support staff that experience ill health and to assist them to maintain a good attendance at work.

Sickness absence has an impact on the delivery of services to customers and means that duties need to be covered or reallocated to ensure continuity of service delivery. Long periods of absence as well as unplanned short-term periods of absence can cause disruptions and put additional pressure on remaining team members.