The Highland Council	Agenda Item	11
Audit and Scrutiny Committee – 30th September 2015	Report No	AS/23/15

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Scrutiny Review – Attendance Management

Report by Head of Audit & Risk Management

Summary
The attached report provides the outcome from the Scrutiny Working Group's review of Attendance Management.

1. Introduction

1.1 A scrutiny review of Attendance Management was agreed by the Audit & Scrutiny Committee on 19th June 2014. A Scrutiny Working Group was then formed and met on 20th November 2014 to discuss and agree the scope of the review.

2. Process

2.1 The Scrutiny Working Group met on 6 occasions between 20/11/14 and 18/06/15 and invited officers to attend in order to gather information regarding the processes in place, both corporately and at a Service level.

2.2 A draft report was prepared by the Head of Audit & Risk Management and circulated to the Scrutiny Working Group and to the relevant Directors in order to confirm the factual accuracy.

2.3 Following the confirmation of the accuracy of the draft report, an Action Plan has been prepared which has been completed by the Head of People & Performance.

3. Findings

3.1 The report acknowledges the Council's good performance in managing sickness absence in comparison with other Scottish Local Authorities and recognises the importance of continuous improvement. In this respect, improvements have identified in the following key areas, as referred to within the attached report:

  (i)   Attendance Management Policy
  (ii)   Attendance Management Guidance
  (iii) Return to Work Interviews
  (iv) Management of Short Term Absence
  (v)   Management of Long Term Absence
  (vi) Monitoring and Reporting of Sickness Absence
  (vii) Occupational Health

4. Implications

4.1   Resource implications are set out in the attached report with regard to the delivery of the agreed actions and timescales. There are no Legal, Equalities, Climate Change/ Carbon Clever, Risk, Gaelic or Rural implications arising from this report.

Recommendation
Members are invited to consider and note the Scrutiny Working Group's report on Attendance management together with the actions to be taken to address the findings.

Designation: Head of Audit & Risk Management

Date: 14th September 2015

Author: Nigel Rose, Head of Audit & Risk Management

Background Papers:

SCRUTINY WORKING GROUP
FINAL REPORT

ATTENDANCE MANAGEMENT

AUTHOR

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Head of Audit & Risk Management
Finance Service

Contents

1. INTRODUCTION

1.1 As part of the Audit Plan for 2014/15 the Chair and Vice Chair of the Audit & Scrutiny Committee proposed that an appropriate topic for consideration by the Scrutiny Working Group would be the Council's performance in managing sickness absence. This was subsequently agreed by the Audit & Scrutiny Committee at the meeting of 19th June 2014. Following that, the membership of the Scrutiny Working Group was formed and the Group met on 20th November 2014 to discuss and agree the scope of the review.

2. OBJECTIVES & SCOPE

2.1 At the meeting on 20th November, the scope of the review was agreed as follows:

- Reviewing the Council's Attendance Management Policy to ensure that this met best practice;

- Ensuring that the Attendance Management Policy is 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 the Care & Learning Service and Community Services, and that they would wish to meet with appropriate Heads of Service in order to establish the arrangements for managing sickness absence for their respective functions and activities.

2.2 Subsequent Group meetings took place as follows:

(i) 13th February 2015: scrutiny of the Attendance Management Policy (Human Resources Manager in attendance).

(ii) 26th February 2015: scrutiny of the application of the Attendance Management Policy within Community Services (Head of Environmental & Regulatory Services in attendance).

(iii) 10th March 2015: scrutiny of the application of the Attendance Management Policy within the Care & Learning Service (Head of Children's Services and Head of Education in attendance).

(iv) 5th May 2015: scrutiny of the preventative measures in respect of attendance management (Health, Safety & Wellbeing Manager in attendance).

(v) 18th June 2015: agreement of draft findings arising from the review (Head of People & Performance in attendance).

3. FINDINGS

3.1 The key message is that the Council is currently performing well in comparison with other Scottish Local Authorities and recognises the importance of continuous improvement. In this respect, the following findings are summarised below and are provided within an action plan at section 5.

(i) Attendance Management Policy
- Areas of the Policy are not being complied with in terms of: reviewing absence management information on a monthly basis; performing periodic random audits and the annual reporting of the operation of the Policy to the Resources Committee. *(See 5.1.1 to 5.1.3)*

(ii) Attendance Management Guidance
- Although the Attendance Management Guidance is of relevance to all Council staff, this is headed as "Guidance to Managers." There is no guidance available to all staff. *(See 5.2.1)*

- The Guidance consists of 44 pages and is considered to be too lengthy both by Services and Members. *(See 5.2.2)*

(iii) <u>Return to Work Interviews</u>
- There are inconsistencies within the Guidance regarding the need for, and the conduct of, return to work interviews. *(See 5.3.1)*
- There is no consistent approach to the conduct of return to work interviews. While these are performed routinely within some Service areas they are not undertaken at all in others, despite the Guidance emphasising the importance of these. *(See 5.3.2)*
- Managers are not required to record that return to work interviews have taken place and the number of interviews completed is not captured and reported. *(See 5.3.3)*

(iv) <u>Management of Short Term Absence</u>
- The key management tool available to manage short term absence is unsatisfactory and doesn't provide meaningful, timely and cumulative information. Services are largely unaware of the management tool or, in the case of Waste Management, find this to be too complex and had therefore introduced a bespoke system. *(See 5.4.1 to 5.4.2)*
- Information regarding unauthorised absence and frequent short term absence is only reported to some Service Committees. *(See 5.4.3)*
- Although procedures are in place with regard to the different stages of Review Meetings, these need to be improved and clarified in order that these can be followed. *(See 5.4.4)*

(v) <u>Management of Long Term Absence</u>
- Information regarding long term absence is reported to some Service Committees but is not reported corporately. *(See 5.5.1)*
- The Guidance is more focussed on managing short term absence rather than long term absence and needs to provide a pathway for managers to pro-actively manage long-term absence. In particular, a flow chart would be helpful. *(See 5.5.2)*

(vi) <u>Monitoring and Reporting of Sickness Absence</u>
- Although it is a requirement within the Guidance for Services to monitor sickness absence on a monthly basis and establish the cost to the Service, there are currently no corporate systems or procedures that provide this. Cost information is particularly critical in Services where there is a real cost of absenteeism in terms of agency or supply staff cover. *(See 5.6.1 and 5.6.2)*
- A corporate system is needed to manage and monitor quarterly absence. In certain Service areas there are large numbers of staff (e.g. 2700 Teaching staff; 680 Catering & Cleaning staff). Whilst the overall performance may be reported as good or satisfactory, high absence rates may not be identified and managed because of the inability of the Service to obtain information regarding operational units or teams. Furthermore, although the Guidance requires reporting and monitoring by Service and Area, the existing systems do not enable this to be undertaken. *(See 5.6.3)*
- The capturing and recording of absence within schools is inconsistent, and possibly inaccurate, particularly in small schools. To some extent this is compounded by Teachers' conditions of service which doesn't require them to self-certify for the first three days of absence. However, it envisaged that recording will improve with the use of the SEEMiS staff absence and appointments module which is currently

being rolled out to secondary schools before being rolled out to primary schools." (See 5.6.4)

- Reporting of absence to strategic committees is not taking place routinely and consistently and, again, this is due to difficulties in extracting meaningful and reliable information. *(See 5.6.5)*
- Where committee reporting takes place, the quality of information falls short of the information that the Guidance suggests is available, largely due to the aforementioned lack of a corporate reporting tool. Furthermore, the quality of reported information is poor in comparison with some other Councils. *(See 5.6.6)*
- Whilst the Council's overall sickness absence performance is very good in comparison with other Scottish Councils, the performance targets concerned are static and are unambitious, particularly equating these to annual sickness rates and taking account of the very low absence rates achieved by many employees. *(See 5.6.7)*
- It was identified that the sickness absence in many Service areas was in excess of the performance target and it was therefore questioned as to whether this was being managed effectively. *(See 5.6.8)*

(vii) Occupational Health
- Some Occupational Health referrals are being made too late, often when staff have used their full sickness pay allowance. *(See 5.7.1)*
- Appointments are not always being attended. *(See 5.7.2)*
- The Occupational Health Service is not a self-referral system and, therefore, this could be a barrier to staff seeking support. *(See 5.7.3)*
- Investing in measures such as an Employee Assistance Programme may assist in absence prevention *(See 5.7.4)*
- Mental health referrals can be made by managers direct to Scottish Counselling Services without recourse to the Occupational Health, Safety & Wellbeing Manager. *(See 5.7.5)*
- Assessment is required as to the benefits of referrals as a whole. *(See 5.7.6)*

4.   CONCLUSION

4.1   Although it is recognised that the Council's performance with regard to absence management is very good in comparison with other Scottish Local Authorities, this review has identified key areas which should assist in improving performance further and assist in delivering financial savings.

4.2   Policies and Guidance on absence management need to be revised in order to ensure that there is appropriate clarity and consistency. In this respect it is recognised that an Attendance Management Toolkit has recently been developed for Council Managers which will help to reinforce the current guidance and assist in the active management of attendance, including the most effective interventions. However, it is important to ensure that there is wider communication to all staff in order that they are aware of their responsibilities in the event of absence and the need to minimise this. This needs to be balanced with the duty of care to the individual staff member.

4.3   Return to work interviews are not being performed with any consistency across the Council despite the Guidance emphasising the importance of the Policy's expectation of fair and consistent treatment to staff.

4.4   The Policy states: "the Council's wish to secure a high level of attendance is based upon the use of records and information systems to assess and control levels of absences." Unfortunately, the tools in place to do so are insufficient and are

largely reliant on the accurate maintenance of spreadsheets and, thereafter, by review on a quarterly basis. However, it is recognised that the Council is working towards the introduction of absence management reporting within ResourceLink which, it is anticipated, will provide an appropriate level of information.

4.5   Reporting on absence management is scant in detail and is inconsistent across the Council, both in respect of Quarterly Performance Review reporting and reporting to strategic committees.   In particular, information needs to be developed to highlight the cost of sickness absence to the Council which the Guidance suggests should already be available. Furthermore, performance targets need to be revised to ensure that these are sufficiently challenging.

4.6   In view of the matters raised it is intended that a follow up review is undertaken in due course, in particular to assess whether ResourceLink is delivering appropriate improvement in managing attendance.

4.7   Although the focus of this review by the Scrutiny Working Group is largely in respect of processes and policies and how these are applied, the Group also recognise the importance of ensuring that appropriate support mechanisms are in place and are being applied. In particular, the increasing number of mental health (including stress) absences and referrals highlight a need to review the existing support arrangements and to enhance these where appropriate.

5.   ACTION PLAN

Ref	Finding	Response	Officer	Date
5.1	**Policy**			
5.1.1	The Policy (Section 3.iii, Implementation of Policy) requires that "accurate records are kept for each employee of absence and attendance which will be regularly reviewed by the responsible line manager. In addition each Service Director should regularly review aggregated statistics."	Absence statistics are reviewed at Service QPR's by the Chief Executive.		
	Clarification is required as to "regularly," particularly as Section 11.3 of the Guidance (Monitoring of Absence) requires a review of absence records "on a regular basis, at least once a month."	The Guidance currently states that this should be by a "Designated Officer in each area/unit" therefore the Guidance will be reviewed.	Head of People & Performance	31/01/16
5.1.2	The Policy (Section iv, Monitoring and Review) states that "Services will be subject to periodic random audit by officers directed by the Chief Executive, and will be required to produce regular statistical returns and reports to the Chief Executive. Such audits and reports will include the examination of absence rates and action taken to overcome absenteeism."	Absence statistics are reviewed at Service QPR's. Consideration would have to be given to the additional resources required to conduct random audits and how and by whom these would be instigated.		
	Despite the provision in the Policy, there is no evidence to suggest that such audits take place. On that basis, it is suggested that each Director could be tasked to carry out small random audits using their own staff which would encourage managers to proportionally challenge absence rates where concerns exist	Agreed. If each Director was to conduct small, random audits using their own staff this would meet the requirements to audit and would be carried out without the need for additional resources.	Executive Leadership Team	01/04/16 and ongoing
5.1.3	The Policy (Section iv, Monitoring and Review) states that "the operation of the policy will be subject to annual review and report to the Resources Committee."	It has now been agreed that HR policies will be subject to review and monitoring by the Staff Partnership Forum (SPF). This was approved by Resources Committee in May	Completed	N/A

Ref	Finding	Response	Officer	Date
		2015 through the minutes of the SPF.		
	Although it is understood from the HR Manager that the Policy has been reviewed and that no required changes have been identified, there has been no report to Members confirming such a review.	Changes have been approved by Resources Committee in May 2015 through the minutes of the SPF.	Completed	N/A
5.2	**Guidance**			
5.2.1	The Attendance Management Guidance is headed "Guidance to Managers." However, some of the information contained therein is relevant to all staff and not just managers (for example, to show that employees will be requested to attend return to work interviews). On that basis, basic guidance should be available to all staff, including manual workers.	Agreed. The Guidance will be reviewed to make it clear it is for all staff, including managers. The agreed mechanism for review is thorough the Staff Partnership Forum (SPF).	Head of People & Performance	31/01/16
5.2.2	The Guidance of 44 pages is considered to be far too lengthy by both Members and Services. On that basis it is unlikely to be read in any detail. Improvement is therefore needed, including better use of flowcharts, to allow staff to apply the Guidance more easily.	Agreed. The Guidance is lengthy and will be reviewed through the SPF. The use of flow charts will be incorporated in the revised guidance together with a clear escalation process to senior managers.	Head of People & Performance	31/01/16
5.2.3	The Guidance (Section 5.9, Absence due to Alcohol and/or Drugs) should be strengthened to allow for more robust and immediate action to be taken if required.	The Substance Misuse policy is the policy that is followed in such circumstances but the link to it will be strengthened.	Head of People & Performance	31/01/16
5.2.4	There is a need for training to be put in place for managers to raise awareness of the Guidance and how this should be applied. This is considered to be a particular need for Teaching staff.	Training is already in place via My Online Learning and Training for Managers (including Head Teachers) by HR/L&D staff plus Lunch-time sessions. In addition an Attendance Management Toolkit has now been introduced to supplement the guidance. Further training will be delivered once the	Completed	N/A

Ref	Finding	Response	Officer	Date
		revised Guidance is prepared	Head of People & Performance	31/01/16 and ongoing
5.3	**Return to Work Interviews**			
5.3.1	There are inconsistencies and a lack of clarity within the Guidance regarding the conduct of return to work interviews. Section 4 of the Guidance requires that return to work interviews are conducted with all employees following each episode of sickness absence, "including absences lasting one day." However, Section 6.2 requires that "where an employee has been away for one or just a few occasional days due to illness, then a brief discussion with what has happened at work over that period should be all that is needed." Finally, Section 8.3 states that "it is important that managers carry out return to work interviews as these are a vital part of effective attendance management." Overall, the Guidance does not ensure that interviews are documented and that there is a fair and consistent approach is applied across Services.	Agreed. The Guidance will be reviewed to emphasise and strengthen the need for return to work interviews to be carried out in all instances.	Head of People & Performance	31/01/16
5.3.2	Return to work interviews are not undertaken consistently by Services. These had shown benefits in Waste Management and are also undertaken within Building Maintenance. With regard to the Care & Learning Service, return to work interviews are not undertaken in all cases and clarity was required in terms of the Guidance.	See above comments under 5.3.1.	Head of People & Performance	31/01/16
5.3.3	With regard to return to work interviews, despite the importance of these as emphasised in the Guidance, managers are not required to record that interviews have taken place and the number of interviews completed is not captured and reported.	An on-line return to work (RTW) questionnaire has been designed. The Manager will complete this through the Self-Serve (MyView) "portal". Reporting on completion of RTWs will be available as an	Corporate Improvement Team Project Manager	01/04/16

Ref	Finding	Response	Officer	Date
		aid to monitoring that RTWs are happening as required.		
5.4	**Management of Short Term Absence**			
5.4.1	The key management tool available to manage frequent short term absence (Section 8.3 of the Guidance), is by way of the "Bradford Factor." This is considered to be a complex process and one which doesn't provide timely and meaningful information to managers (information is only produced quarterly) to actually highlight occurrences of frequent short term absence. In addition, the Bradford Factor scores are limited to annual snapshots only and don't provide cumulative absence management information. Given the manual nature of the tools available for managers to monitor short term absence, the use of Resourcelink needs to be explored.	Agreed. The Guidance and management tools will be reviewed to make these more meaningful and straightforward for managers. Through the Self-Serve (MyView) "portal", managers will see a team planner and be able to query on absence events/patterns by individual staff members, by their team, for specified periods, etc)	Head of People & Performance Corporate Improvement Team Project Manager	31/01/16 01/04/16
5.4.2	Despite detailed procedures being in place regarding Bradford Factors, the Services interviewed during the review either were unaware of the procedures or, in the case of Waste Management, used a bespoke, less complex system.	See above comments about reviewing management tools.	Head of People & Performance	31/01/16
5.4.3	With regard to Unauthorised Absence and Frequent Short Term Absence (Sections 8.1 and 8.3 of the Guidance), it would be appropriate to provide corporate statistics of such to Committee for monitoring purposes.	Agreed. This is currently being done by Finance and Corporate Development and should be undertaken by the other Services.	Service Directors	01/4/16 and ongoing
5.4.4	Although there are detailed procedures in terms of the stage 1, 2 and 3 Review Meetings, these are considered to be unclear and confusing, particularly around stage 3. It is known that managers do not follow the Guidance due to this.	Changes have been made which have been approved by SPF.	Completed	N/A

Ref	Finding	Response	Officer	Date
5.5	**Management of Long Term Absence**			
5.5.1	With regard to Long Term Absence (Sections 8.4 of the Guidance), it would be appropriate to provide corporate statistics to Service Committees for monitoring purposes.	Agreed. This is currently being done by Finance and Corporate Development and should be undertaken by other Services.	Service Directors	01/04/16 and ongoing
5.5.2	The Guidance is more heavily focussed on managing short-term absence rather than providing assistance in managing long-term absence. Therefore the Guidance needs to provide a pathway for managers to support staff and pro-actively manage long-term sickness. There is no flow-chart to guide managers which would be helpful.	Agreed. A flow chart would be helpful and will be incorporated in the revised guidance.	Head of People & Performance	31/01/16
5.6	**Monitoring and Reporting of Sickness Absence**			
5.6.1	The Guidance regarding Monitoring of Absence (Section 11.3) requires that "on a regular basis, at least once a month, a designated officer in each area/unit must look at all employees' absence records to assess, as necessary: • "Cost" and rate of absence to the Service • Patterns of absence • Absences which are a cause for concern • Absences where the employer might offer assistance."	Service lead officers do review statistics on a quarterly basis as part of their absence returns although consideration should be given to the quality and rigour of the reviews.	Service Directors	01/04/16 and ongoing
	No corporate systems or procedures are in place around this and it would appear that no such monitoring or reporting actually takes place.	When the corporate system (ResourceLink) delivers the absence reporting capability, Services will be able to accurately monitor and report.	Corporate Improvement Team Project Manager	01/04/16
5.6.2	Cost information regarding absenteeism is particularly critical in certain Services where there is a "real" cost of absenteeism (e.g. in Care & Learning	The CIT Project will investigate the ability to produce costing reports from ResourceLink to support monitoring of sickness absence cost	Corporate Improvement Team Project	01/04/16

Ref	Finding	Response	Officer	Date
	where Teaching supply cover is required or where agency staff may need to be employed) as opposed to this being a "notional" cost in some other Services. Therefore, in managing sickness absence, particular focus needs to be given to where there are true costs.		Manager	
5.6.3	With regard to the monitoring of absence by Services there are the following issues: • A corporate system is needed to provide better and more consistent data to manage and monitor sickness absence. The current data, as used for Quarterly Performance Reviews, shows high numbers of staff in certain areas with no breakdown between operational units or Service teams (for example in Care & Learning there is no breakdown with regard to the 2,700 approx. Teaching staff and Members questioned why this wasn't reported per School. Also there is no breakdown of the 680 approx. Catering & Cleaning staff. In Community Services, whilst there is a breakdown per Area of the Waste Management staff, there is no consistent Area breakdown of other employees within other parts of the Service (e.g. Building Maintenance). In this respect it is likely that although overall performance could be shown as good or satisfactory, there are pockets of high absence that are not being identified and, possibly, managed. • The Guidance (Section 11.5) suggests that "the absence recording system is designed to provide statistical returns every quarter by Service and Area." However, as shown above, the existing systems do not enable this to be undertaken. • The data does not distinguish between long-term and short-term absence, nor certified or self-	See comments above about the absence reporting capability which is to be delivered by the CIT Resource Link project	Corporate Improvement Team Project Manager	01/04/16

Ref	Finding	Response	Officer	Date
	certified absence.			
5.6.4	The capturing and recording of absence within schools is inconsistent, and possibly inaccurate, particularly in small schools. To some extent this is compounded by Teachers' conditions of service which doesn't require them to self-certify for the first three days of absence. However, it envisaged that recording will improve with the use of the SEEMiS staff absence and appointments module which is currently being rolled out to secondary schools before being rolled out to primary schools."	As this relates a particular group (teachers) specific guidance will be developed in conjunction with Care & Learning.	Head of People & Performance/ Care & Learning Workforce Planning Manager	31/01/16
5.6.5	The reporting of sickness absence to the individual strategic Committees is not taking place and it is understood that this is due to difficulties in extracting meaningful and reliable information. Only the Finance and the Corporate Development Services regular report such information as part of their quarterly performance reports. Although Community Services reported performance in February 2015 regarding the period April to December 2014, this was limited to the average number of days per employee only. No information has been reported by the Care & Learning or Development & Infrastructure Services.	Agreed. All Services should report absence statistics to their strategic committees using a standard corporate template. See comments above about the absence reporting capability which is to be delivered by the CIT ResourceLink project	Corporate Improvement Team Project Manager	01/04/16
5.6.6	Where Committee reporting does take place, the quality of information falls short of the level of information that the Guidance suggests is available, largely due to the aforementioned lack of a corporate reporting tool. Furthermore, the information is poor in comparison with some other Councils. For example: • In Argyll & Bute, performance information is reported quarterly to the Performance & Scrutiny Committee showing:	See comments above about the absence reporting capability which is to be delivered by the CIT ResourceLink project	Corporate Improvement Team Project Manager	01/04/16

Ref	Finding	Response	Officer	Date
	o The total cost of sick pay and a breakdown by Service and Section. o The % of return to work interviews completed each month against the target of 100%. o Progress against corporate actions to maximise attendance. o Absence comparisons per Service Section and trends in comparison with the previous quarter. o Performance against the individual Service targets (based upon improving previous performance). • In North Lanarkshire, performance information is reported quarterly to the Policy & Resources (HR) Sub-Committee showing: o The total cost of sick pay. o A breakdown of the total absence to differentiate between short-term and long-term absence. o The top 5 reasons, per Service, with regard to both short-term and long-term sickness absence. o Performance against the individual Service targets (based upon improving previous performance). o Absence comparisons over the last 4 years. o Monthly absence rates per Service. Although it is acknowledged that, for the Council as a whole, sickness absence information is included within the annual performance report to the Resources Committee, the information is light in detail, particularly compared to that shown above.			
5.6.7	Whereas some Councils have set individual performance targets for each Service, designed to	Agreed. Targets should be reviewed and agreed by Services. These will vary according	Head of People & Performance	31/01/16

Ref	Finding	Response	Officer	Date
	achieve specific reductions in absence rates, the Council has average targets as follows: • Below 2.5 days per quarter – satisfactory • Between 2.5 days and 3.0 days per quarter – caution • Over 3.0 days per quarter – unsatisfactory. Whilst Members acknowledged that the Council's overall sickness absence performance is very good in comparison with other Scottish Councils *(nb ranked 2nd in 2013/14)* they consider that the performance targets concerned are static and are unambitious, particularly equating these to annual sickness rates and taking account of the very low absence rates achieved by many employees. In addition, it is considered that further benchmarking opportunities need to be explored. Although, with a view to improving sickness absence, consideration had been given to rewarding 100% attendance, this had not been progressed for a number of reasons. In particular, this would de-motivate people who are unlucky enough be genuinely ill and would encourage staff to attend the work place when unfit to do so.	to the service and employment group.		
5.6.8	In considering some of the Service reporting information which is used for Quarterly Performance Review purposes, Members acknowledged that whilst this showed that Waste Management absence was in excess of the target they were satisfied that this was being managed appropriately. However, with regard to other Service areas it was identified that many were in excess of the target and it was therefore questioned as to whether these were similarly being managed effectively.	Agreed. The targets need to be appropriate to the particular Service and employment group to assist the management of absence.	Head of People & Performance	31/01/16

Ref	Finding	Response	Officer	Date
5.7	**Occupational Health**			
5.7.1	Stress and mental health issues currently account for approximately 50% of all Occupational Health referrals. However, some of these referrals were being made too late; when staff had exhausted their full sickness pay allowance and were moving on to half pay.	Agreed. This is in the guidance but will be reinforced in training to ensure that referrals are made at the appropriate time.	Head of People & Performance	31/01/16
5.7.2	Occupational Health appointments are not always attended. Although the Occupational Health, Safety & Wellbeing Manager is considering charging Services for non-attendance, this still represents a waste of resources.	Services have been reminded of the need to ensure that employees attend appointments and the trade unions have also been asked for their support.	Service Directors	31/10/15
5.7.3	The Occupational Health Service is not a self-referral system and, in view of that, this could be a barrier to staff seeking help or support.	There is no self – referral system in the Occupational Health contract and this could be expensive and would mean that line managers would not be aware of, or involved with, such referrals. An Employee Assistance Programme (EAP) may be a better option but there would still be a cost factor. Both options will be explored for consideration.	Head of People & Performance	31/12/15
5.7.4	Investing in measures such as an Employee Assistance Programme may assist in the prevention of long-term absences. Although there was an initial cost, it would be appropriate to consider whether this would reap long-term benefits.	Agreed. This would require funding to be agreed to introduce this and maintain going forward.	Head of People & Performance	31/12/15
5.7.5	Mental health referrals are able to be made by managers direct to Scottish Counselling Services without recourse to the Occupational Health, Safety & Wellbeing Manager. Although there are benefits to the service: • The method of referral prevents confidentiality.	There is no need for managers to go through Occupational Health Safety and Wellbeing for this service. It is agreed that there should be more consistency across Services and Areas.	Head of People & Performance	31/12/15

Ref	Finding	Response	Officer	Date
	• The service is not available in all Areas. • A more pro-active and supportive solution is required. • It is not possible to monitor the effectiveness of the service.			
5.7.6	Some assessment is required as to the benefits of referrals as a whole, particularly with regard to how long employees take to return to work.	Agreed.	Head of People & Performance	31/12/15

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 B Fernie

Mr I Brown

Mr C Fraser

Mr A Mackinnon

Mr T Prag

Mr M Reiss

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.

The Highland Council

Audit and Scrutiny Committee

Scrutiny Working Group

Minutes of Meeting of the **Scrutiny Working Group** held in Committee Room 1, Council Headquarters, Glenurquhart Road, Inverness on Friday, 13 February 2015 at 2.00pm.

Present:

Mrs M Davidson   Mr M Reiss
Mr B Fernie   Mr C Fraser

Officials in attendance:

Mr N Rose, Head of Audit and Risk Management
Ms D Sutherland, Audit and Risk Manager
Ms E Barrie, Human Resources Manager
Miss C Maragh, Administrative Assistant

Mr B Fernie in the Chair

Business

1. **Apologies for Absence**

   Apologies for absence were intimated on behalf of Mr I Brown, Mr A Mackinnon, Mr T Prag, Mr G Rimell, Mr R Saxon and Mrs G Sinclair.

2. **Declaration of Interest**

   The following declaration of interest was **NOTED** at the meeting -

   Item 4 – Mr M Reiss (financial)

3. **Minutes of Meeting**

   There had been circulated the Minutes of the last Meeting held on 20 November 2014 - which were **APPROVED** – subject to confirmation that these Minutes (and the Minutes of all future meetings of the Group) would be submitted to the next scheduled meeting of the Audit & Scrutiny Committee in each case.

4. **Managing Staff Absences**

   Declaration of Interest: Mr M Reiss declared a financial interest in this item on the grounds of a family member being an employee of Highland Council but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

   There had been circulated Report No. SWG/1/15 dated 9 February 2015 by the Head of Audit and Risk Management which provided an outline of how the Scrutiny

Working Group's review of the Council's arrangements for managing sickness absence would be progressed.

During discussion, Members raised the following issues:-

- in considering the Council's Attendance Management Policy, it was also important to provide a focus on health and wellbeing issues which were an integral part of the process;
- communication with staff and the trade unions had to be undertaken as part of the scrutiny exercise as the latter in particular had been very supportive of the Council in terms of focusing on the wellbeing of employees and assisting wherever possible in ensuring a successful return to the workplace;
- in terms of the Induction process, it was important that all employees were required to sign a checklist to confirm that they had been advised of relevant procedures by Line Managers and it was suggested that it would be helpful if a copy of the main points of the online policy could be circulated to the Group;
- in terms of Implementation of the Policy, and specifically Recording & Analysis, it would perhaps be more appropriate to make reference to 'quarterly' reviews (as opposed to 'regular' reviews) as this more correctly reflected current practice;
- in regard to Managing Attendance Checklist, it would be helpful to have more information on the arrangements in place to record and monitor sickness absence and on 'return to work' interviews undertaken with employees within Council Services;
- in relation to Sickness Reporting and Certification, and particularly the length of time in which employees were able to self-certify, it was acknowledged that this was often due to GP requirements;
- in respect of absence due to alcohol and/or drugs, it was suggested that the wording in the current policy could perhaps be strengthened to allow for more robust and immediate action to be taken if required;
- in discussion on Mental Health issues it was acknowledged this is a complex area which can be difficult for managers and staff;
- it would be helpful to see statistics in regard to Unauthorised Absences within the Council;
- it would also be useful if further information could be provided on Frequent Short Term Absence and Long Term Sickness Absence;
- in regard to Termination of Employment due to Ill Health, and specifically Dismissal on the Grounds of Capability, it would be helpful if further information could be provided to highlight how such cases were dealt with within the Council;
- in stressing the importance of the Group being satisfied that the current policy and procedures were operating effectively, it was suggested that more detail was required on the Monitoring of Absence and specifically the cost and rate of absence within Council Services;
- in noting the National Statistics on Sickness Absence within Councils which had been tabled at the meeting, it was acknowledged that some improvement had been made by the Council but that it was important not to become complacent and to keep monitoring the position; and
- in terms of monitoring and review of the policy, it would be helpful if the Group could have a copy of the statistical returns and reports to the Chief Executive.

Thereafter, the Working Group otherwise **NOTED** the timetable for taking the scrutiny exercise forward as detailed in the report.

The meeting concluded at 3.45pm.

The Highland Council

Audit and Scrutiny Committee

Minutes of Meeting of the **Scrutiny Working Group** held in Committee Room 1, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 26 February 2015 at 2.00pm.

Present:

Mrs M Davidson
Mr B Fernie
Mr I Brown
Mr C Fraser
Mr A Mackinnon

Mr T Prag
Mr M Reiss
Mr G Rimell
Mr R Saxon

Officials in attendance:

Mr N Rose, Head of Audit and Risk Management
Ms D Sutherland, Audit and Risk Manager
Mr C Clark, Head of Environmental and Regulatory Services
Miss C Maragh, Administrative Assistant

Mr B Fernie in the Chair

Business

1.   Apologies for Absence

An apology for absence was intimated on behalf of Mrs G Sinclair.

2.   Declarations of Interest

The following declaration of interest was **NOTED** at the meeting -

Item 5 – Mr M Reiss (financial)

3.   Minutes of Meeting

There had been circulated the Minutes of the meeting of the Scrutiny Working Group held on 13 February 2015, which were **APPROVED** – subject to that management training to be investigated on handling Mental Health issues.

4.   Key Points Arising from Last Meeting

The Head of Audit and Risk Management discussed with Members the key points arising from the last meeting.

During discussion, Members raised the following issues:-

- there appear to be some inconsistencies within the Absence Management Policy and Guidance which need to be raised with HR in due course;
- in relation to the management tools available to manage sickness

absences, specifically the 'Bradford Factor', it was highlighted that this was a complex process and didn't provide timely and meaningful information;

- the existing processes relating to the monitoring of absence needed to be explored within the Services, in particular to establish whether the financial impact is being considered, in terms of complying with the Attendance Management Policy , it was important to establish that periodic or random audits were being undertaken and that evidence is available to this effect;
- although sickness absence reports are being provided to respective Committees, the costs of absence are not provided
- in respect of benchmarking with other local authorities, it would be helpful if examples of best practice monitoring reports could be provided, particularly those detailing the costs of absence and confirming compliance with policy;
- the percentage of employees taking unauthorised absence as well as staff turnover leaving was queried;
- it was recognised that training new staff resulted in a revenue impact and that unauthorised absences be reviewed to potentially reduce this impact;
- in terms of return to work interviews, it was suggested that the NHS sickness policy be explored on their working practices; and
- it was expressed that there are various other HR management analysis systems i.e. Scope which provide a good level of information regarding sickness absence.

5. Presentation – Absence Management in Waste Management

Declaration of Interest: Mr M Reiss declared a financial interest in this item on the grounds of a family member being an employee of Highland Council but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

The Head of Environmental and Regulatory Services undertook a presentation which considered the management of sickness absence within Waste Management and how this had improved significantly in recent years. In particular, use was made of return to work interviews which were completed for all periods of absence.

In discussion, the Head of Environmental and Regulatory Services suggested that the guidance was lengthy and was unlikely to be read in any detail. He also suggested that this was generally used as a reference guide.

The Head of Environmental and Regulatory Services also circulated performance information he had devised to manage absence which did not originate from any Council reporting system

During discussion, Members raised the following comments:-

- in terms of the Services' bespoke absence system, it was explained that this system was devised by the Service as a simplified way to combine the absence stats percentages with the costs; and
- in relation to return to work interviews, it was acknowledged that these had shown benefits within the Service.

Following further discussion, the Working Group **NOTED** the presentation.

6. **Community Services – Absence Management Performance**

Quarterly and accumulative performance information regarding sickness absence within Community Services was presented to Members.

During discussion, Members raised the following comments:-

- it was queried as to the processes in place once the statistics were presented to the quarterly performance meetings; and
- in recognising the length of time to capture information, the measures of improvement was queried which could be implemented to make it work better with the staff.

Thereafter, the Working Group otherwise **NOTED** the performance information as provided.

7. **Key Points Arising**

The Head of Audit and Risk Management discussed the key points arising from the meeting together with the timetable for the remainder of the review.

During discussion, Members raised the following comments:-

- in considering the Environmental and Regulatory Section as the benchmark, it would be useful if the Head of Audit & Risk Management would consider the processes in place within the remainder of Community Services;
- in the interest of hearing alternative views, it was suggested that Senior Union representatives be invited to a future meeting; and
- it was highlighted that the real gain was catching, helping and having productive people working within the Council to assist individuals with higher levels of stress.

Thereafter, the Working Group **AGREED** that the Head of Audit and Risk Management would invite Occupational Health and also Union representatives to the June meeting.

The meeting concluded at 3.45pm.

The Highland Council

Audit and Scrutiny Committee

Minutes of Meeting of the **Scrutiny Working Group** held in Committee Room 1, Council Headquarters, Glenurquhart Road, Inverness on Tuesday, 10 March 2015 at 2.30pm.

Present:

Mrs M Davidson   Mr T Prag
Mr B Fernie   Mr G Rimell
Mr A Mackinnon   Mr R Saxon

Officials in attendance:
Mr N Rose, Head of Audit and Risk Management
Ms S Campbell, Head of Children's Services
Mr J Steven, Head of Education
Miss J MacLennan, Democratic Services Manager

Mr B Fernie in the Chair

Business

1. **Apologies for Absence**

   Apologies for absence were intimated on behalf of Mr I Brown, Mr C Fraser, Mr M Reiss and Mrs G Sinclair.

2. **Declaration of Interest**

   The following declaration of interest was **NOTED** at the meeting -

   Item 5 – Mr A Mackinnon (Financial)

3. **Minutes of Meeting**

   There had been circulated the Minutes of the last Meeting held on 26 February 2015 - which were **APPROVED**.

4. **Key Points Arising from Last Meeting**

   The Head of Audit and Risk Management discussed with Members the key points arising from the last meeting and also presented sickness absence performance reports from Argyll & Bute Council and North Lanarkshire Council in order to enable Members to see the level of information reported elsewhere.

   In this regard, it was **AGREED** that further information should be submitted to the next meeting in relation to the current reporting arrangements across Services and through the relevant Committees in terms of absence management and sickness absence.

It was also **AGREED** that consideration should be given at that time as to whether any changes were necessary in regard to how such information should be presented in future.

5. **Attendance Management in Care & Learning**

    Declaration of Interest: Mr A Mackinnon declared a financial interest in this item on the grounds of a family member being an employee of Highland Council but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

    Members were advised that the Head of Children's Services and the Head of Education had been invited to the meeting in order to present performance information in relation to their respective Services and to discuss the arrangements for managing attendance in accordance with the Council's Attendance Management Policy and Guidance.

    <u>Ms S Campbell, Head of Children's Services</u>

    During discussion, Members raised the following issues:-

    - in acknowledging that there were difficulties for staff in managing long term sickness absence, it was felt that there was a need for Human Resources to clarify the current Guidance in this regard;
    - better data is needed to manage and monitor sickness absence, following the restructuring of the Service. In particular, the quarterly performance figures show high numbers of staff which could therefore mask some areas of poor performance. In addition the data doesn't distinguish between long term and short term absence;
    - the figures in relation to Criminal Justice were particularly high and it would be helpful if more information could be provided for the next meeting to explain the current position;
    - there was a need to focus on Stage 3 cases in particular and perhaps to include changes to the current arrangements as part of a future review of the Guidance;
    - the difficulties of finding a balance between on-going service delivery and the duty of care to staff was acknowledged;
    - consultation was required across all Services to ascertain whether the current aspects of the Guidance could or should be adapted to allow staff to more easily follow procedures; and
    - although the Guidance was generally applied, it was acknowledged that return to work interviews were not undertaken in all cases nor was use made of the "Bradford Factors" (as referred to within the Guidance) to manage short term absence. In respect of the former, there was a need for clarity on when return to work interviews should be undertaken.

    <u>Mr J Steven, Head of Education</u>

    During discussion, Members raised the following issues:-

    - it was recognised that there was not a consistent approach across all Schools in recording sickness absence as this was dependent on

resources which were different in different establishments. As a consequence there could be some accuracy issues;

- there was a need for training to be put in place for staff in regard to current aspects of the Guidance and how this could be applied as it was recognised that this currently posed problems for some Head Teachers;
- leadership development was key and should be encouraged and applied wherever possible;
- there was a need to consider whether a different set of procedures and policies were required for the Education Service in future in order to help staff to apply processes within their day to day activities;
- absence management comparisons between Schools could be helpful in future and it was suggested that this could be undertaken through the current SEEMIS System;
- detailed and regular reporting through the Education, Children and Adult Services Committee was required;
- it would be helpful if statistical information could also be provided for Area Committees;
- there was a need to highlight the costs of absenteeism and also Supply Teachers to the Service;
- issues with regard to the length of the current Guidance and the clarity required in regard to return to work interviews were acknowledged; and
- although the level of detail in the performance information was poor in this provided just one line for all teaching staff, it was recognised that the Head of Education had revised processes to ensure that sickness absence was being scrutinised more closely through his regular management meetings.

6. Key Points Arising

The Head of Audit and Risk Management discussed the key points arising from the meeting during which the honesty of both Heads of Service and their willingness to ensure improvement was recognised.

In this regard, it was suggested that there was a need for consideration to be given as to how to ensure more consistency across Services and individual teams in terms of the management and reporting of sickness absence/absenteeism.

It was also noted that Ms G Falconer, the Council's Occupational Health, Safety and Wellbeing Manager, and a representative from a Trade Union would be in attendance at the next meeting.

The meeting concluded at 4.00pm.

The Highland Council

Audit and Scrutiny Committee

Minutes of Meeting of the **Scrutiny Working Group** held in Committee Room 1, Council Headquarters, Glenurquhart Road, Inverness on Tuesday, 5 May 2015 at 2.00pm.

Present:

Mrs M Davidson   Mr T Prag
Mr B Fernie   Mr M Reiss
Mr I Brown   Mr G Rimell
Mr A Mackinnon

Officials in attendance:

Mr N Rose, Head of Audit and Risk Management
Ms D Sutherland, Audit and Risk Manager
Ms G Falconer, Occupational Health, Safety and Wellbeing Manager
Mrs L Dunn, Principal Committee Administrator

Mr B Fernie in the Chair

Business

1. **Apologies for Absence**

    Apologies for absence were intimated on behalf of Mr C Fraser, Mr R Saxon and Mrs G Sinclair.

2. **Declarations of Interest**

    The following declaration of interest was **NOTED** at the meeting -

    Item 5 – Mr A Mackinnon (financial) and Mr T Prag (non-financial)

3. **Minutes of Meeting**

    There had been circulated the Minutes of the Meeting of the Scrutiny Working Group held on 10 March 2015 which were **APPROVED**.

4. **Key Points Arising from Last Meeting**

    The Head of Audit and Risk Management discussed with Members the key points arising from the last meeting during which he advised that he had examined the absence management reporting arrangements undertaken in North Lanarkshire and Argyle and Bute. He advised that these authorities presented more detailed information in regard to costs and a breakdown of the reasons for absences to Resources Committee and the Performance Review and Scrutiny Committee. Whereas Highland Council reported on an annual basis to Resources Committee as part of their Statutory Performance Indicators but this was only as a key headline figure which indicated that the Council had an average sickness absence of 9.2 days and compared this to the previous year. In terms of

reporting to individual strategic committees, this was only undertaken by the Finance Service and Corporate Development as part of their quarterly performance reports to Resources Committee. However, again this did not contain details of costs or a breakdown of reasons for absences. A quarterly report was also submitted to the Central Safety Committee on Occupational Health with a further annual report which provided slightly more detail.

The Head of Audit and Risk Management indicated that views would be sought from Trade Union representatives on the current Sickness and Absence Management Policy at the next meeting. He further recommended that costing information should be provided in future reports as stipulated in the current policy. In conclusion, he advised that he would present a summary of his findings to the next meeting.

During discussion, Members raised the following issues:-

- more detailed information in respect of absence management allowed trends to be identified, particularly reasons for absences, and proactive measures to be implemented to reduce future occurrences;
- there had been more detailed reporting on a quarterly basis to Strategic Committees in the past and this level of reporting seemed to have slipped since the amalgamation of Services; and
- a business case should accompany any proposals to amend the policy, i.e. include costings and benefits to be gained, such as improved productivity.

The Working Group **NOTED** the update and **AGREED** that a summary of the findings be presented to the next meeting.

5.   **Attendance Management in Health and Safety**

   Declarations of Interest:

   Mr A Mackinnon declared financial interest in this item on the grounds of his wife being an employee 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 his interest did not preclude his involvement in the discussion.

   Mr T Prag declared a non-financial interest in this item on the grounds of his wife being a counsellor but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in the discussion.

The Occupational Health, Safety and Wellbeing Manager undertook a presentation during which she gave an overview of the outsourced occupational health service including the services offered as part of the contract and additional services available outwith the contract including clinics, training/guidance, counselling, self-management of long term conditions and Posturite.

During discussion, Members raised the following issues:-

- more joined up working was required, particularly in respect of wellbeing, and further work should be undertaken to establish that there was a direct link between wellbeing and improved productivity;
- there was support for the Occupational Health, Safety and Wellbeing Manager's proposal in respect of recharging Services for non-attendance of Occupational Health appointments in order to reduce wastage of resources;
- the current Occupational Health service was not a self-referral system and it was suggested that this could be a barrier to employees not seeking help/support;
- it was essential that further improvements were made in addressing Mental Health issues and the views of the Occupational Health, Safety and Wellbeing Manager were sought on how she would recommend achieving this; and
- it was felt that investing in measures such as an Employee Assistance Programme, as recommended by the Occupational Health, Safety and Wellbeing Manager, to assist in the prevention of long term absences was a spend to save initiative which should be further investigated.

In response, it was confirmed that stress and mental health issues were currently accounting for approximately 50% of all Occupational Health referrals. Some of these referrals were only being made however when staff had exhausted their full sickness pay allowance and were moving to half pay and this was considered to be too late. Also, referrals were able to be made by Managers direct to Scottish Counselling Services without recourse to the Occupational Health, Safety and Wellbeing Manager and, although there were many benefits to the Service, this method of referral prevented confidentiality and was patchy in that it was only available in three areas within the Highlands. As such, it was considered that something more proactive and supportive was required.

In this regard, a course entitled 'Let's Get on with it Together' which was aimed at the self-management of long term conditions had recently been run which had been a success and this had resulted in amending the sickness absence paperwork. It was therefore intended that similar courses would be run in future.

In relation to investing in measures such as an Employee Assistance Programme, it was confirmed that this might cost in the region of £30k but would reap considerable benefits.

Finally, it was advised that further assessment was required of the benefits of referrals as a whole, particularly with regard to how long employees took to return to work. Although the Occupational Health, Safety and Wellbeing Manager considered that she was pro-active in her role, schools appeared to be an area which was difficult to access despite previous offers which had been made in this regard.

Thereafter, the Working Group **NOTED** the presentation and **AGREED** that the Head of Audit and Risk Management examine the briefing note that had already been prepared by the Occupational Health, Safety and Wellbeing Manager on implementing an Employee Assistance Programme.

6. **Key Points Arising**

The Head of Audit and Risk Management advised that a future meeting of the Working Group had been scheduled for June 2015 and Trade Union representatives would be invited to attend the next meeting to provide their views on the Sickness and Absence Management Policy.

He would also present a summary of his findings and set out a number of recommendations/actions. He further clarified that this would help to determine responsibilities in terms of enforcement of the policy and/or policy changes. It was further recommended that the Head of People and Performance be provided with a copy of the findings and this was supported by the Group.

During discussion, it was highlighted that one reason for the policy not being properly enforced could be due to it not being fit for purpose and this should be considered as part of the report. It was further highlighted that, in reviewing the policy, consideration would have to be given to the need for a flexible policy which would enable different solutions to be adopted.

Thereafter, the Working Group **NOTED** the update and welcomed the way forward.

The meeting concluded at 3.03 pm.

The Highland Council

Audit and Scrutiny Committee

Minutes of Meeting of the **Scrutiny Working Group** held in Committee Room 1, Council Headquarters, Glenurquhart Road, Inverness on Thursday, 18 June 2015 at 2.00pm.

Present:

Mr R Laird   Mr T Prag
Mr G Phillips   Mr M Reiss
Mr A MacKinnon

Also present:

Mr B Fernie

Officials in attendance:
Mr N Rose, Head of Audit and Risk Management
Ms D Sutherland, Audit and Risk Manager
Mr J Batchelor, Head of People and Performance
Miss J MacLennan, Democratic Services Manager

It was AGREED that Mr B Fernie should Chair the meeting (as the previous Vice Chair of the Committee) on the basis that he had chaired the other meetings to date and in view of the fact that this was the final meeting to consider this issue.

Business

1. **Apologies for Absence**

    Apologies for absence were intimated on behalf of Mr I Brown, Mr C Fraser, Mr G Rimell, Mr R Saxon and Mrs G Sinclair.

2. **Declaration of Interest**

    The following declaration of interest was **NOTED** at the meeting -

    Item 5 – Mr A Mackinnon (financial)

3. **Minutes of Previous Meeting**

    There had been circulated the Minutes of the previous Meeting held on 5 May 2015 which were **APPROVED**.

4. **Discussion with Trade Union Representative**

    It was confirmed at the meeting that Mr John Gibson, Unison, was unable to attend but that any necessary discussion with him on matters arising would be undertaken by the Head of People and Performance during forthcoming Staff Forum meetings as necessary.

    The Group **NOTED** the position.

5. **Draft Findings Arising from the Review of Sickness Absence**

   Declaration of Interest: Mr A Mackinnon declared a financial interest in this item on the grounds of his wife being an employee 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 his interest did not preclude his involvement in the discussion.

   There had been circulated by the Head of Audit & Risk Management the Draft Key Points Arising from the Review of Sickness Absence.

   During discussion, Members raised the following issues:-

   - although it was acknowledged that the current arrangements for self-certification by Teachers (certification not required for 3 days or less) were based upon national conditions, further consideration should be given to the effect on the relevant statistics in this regard;
   - the circulation of the new Attendance Management Toolkit by the Head of People & Performance would help to provide support to Managers in the management of attendance;
   - there needed to be a clearer and more widespread understanding amongst Line Managers as to when and how to refer staff if necessary to Occupational Health;
   - mental health issues had to be highlighted as part of any future changes to procedures and the importance of these issues should be highlighted to potential providers of the new Occupational Health contract in 2016 to ensure that they were able to provide appropriate advice in such cases;
   - there was a need to review the current guidance surrounding Return to Work Interviews, specifically in relation to ensuring that these should be undertaken, and to highlight the need for early intervention by Line Managers where necessary;
   - absence management was crucial and this needed to be evidenced across the Council, perhaps through Quarterly Reviews by Services;
   - although Highland Council compared well against other Councils in terms of sickness absence performance, improvement in the reporting and monitoring arrangements were required; and
   - it was welcomed that a report would be presented to the next Audit & Scrutiny Committee and that the Group Members would be issued with a draft report for comment in advance of the meeting.

   Thereafter, the Group otherwise **NOTED** the draft findings as provided.

   The meeting concluded at 2.35pm.