



Cabinet Member (Strategic Finance and Resources)

Time and Date

2.00 pm on Wednesday, 5th December, 2012

Place

Committee Room 3, Council House

Public Business

1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of Previous Meeting**
 - (a) To agree the minutes of the meeting held on 24th October, 2012 (Pages 3 - 6)
 - (b) Matters Arising
4. **First Quarter Hospitality Statement for the Mayoralty of Councillor Tim Sawdon 2012/2013** (Pages 7 - 14)

Report of the Director of Customer and Workforce Services
5. **Performance of the Benefits Service for the period April 2012 - September 2012** (Pages 15 - 22)

Report of the Director of Finance and Legal Services
6. **Performance within the Revenues Service for the period April-September 2012** (Pages 23 - 28)

Report of the Director of Finance and Legal Services
7. **Agency Workers and Interim Managers - Performance Management Report Q2 (July-September 2012)** (Pages 29 - 44)

Report of the Director of Customer and Workforce Services
8. **6 month (April - September 2012) Cumulative Sickness Absence Report** (Pages 45 - 64)

Report of the Director of Customer and Workforce Services
9. **Outstanding Issues**

There are no outstanding issues

10. **Any other items of public business which the Cabinet Member decides to take as matters of urgency because of the special circumstances involved.**

Private Business

Nil

Bev Messinger, Director of Customer and Workforce Services, Council House Coventry

Tuesday, 27 November 2012

Note: The person to contact about the agenda and documents for this meeting is Su Symonds Tel: 024 7883 3069

Membership: Councillor G Duggins (Cabinet Member)

By invitation: Councillor J Blundell (Shadow Cabinet Member)

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting
OR if you would like this information in another format or
language please contact us.

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CABINET MEMBER (STRATEGIC FINANCE AND RESOURCES)

24th October, 2012

Cabinet Member

Present: - Councillor Duggins

Shadow Cabinet Member

Present: - Councillor Blundell

Employees Present: -

J. Barlow (Customer and Workforce Services Directorate)
J. McLellan (Customer and Workforce Services Directorate)
J. Venn (Customer and Workforce Services Directorate)

Observers:-

P.Nearkhou
K.Townshend

Public Business

27. Apologies

There were no apologies.

28. Declarations of Interest

There were no declarations of interest.

29. Minutes

The minutes of the meeting held on 12th September, 2012, and of the Joint Meeting of Cabinet Members (Community Safety and Equalities) and (Strategic Finance and Resources) held on 27th September, 2012, were signed as true records.

30. Matters Arising

There were no matters arising from the Minutes.

31. Final Hospitality Statement for the Mayoralty of Councillor Keiran Mulhall for 2011 - 2012

The Cabinet Member considered a report of the Director of Customer and Workforce Services which summarised the expenditure in the Lord Mayor's Hospitality Budget for the third and fourth quarter of the Mayoralty of Councillor Keiran Mulhall.

The report indicated that the start year budget for the Mayoralty was £65,596 and total expenditure at year end on 16th May, 2012, was £53,318.17, with a return of £12,278 to corporate reserves.

The Cabinet Member and others present at the meeting noted in particular that Councillor Mulhall had raised £10,924 during his Mayoralty for his nominated charities; Coventry Ophthalmology Service, UHCW Charity, Army Benevolent Fund – The Soldiers' Charity and Coventry Children with Special Educational Needs.

RESOLVED that after due consideration of the report and the matters raised at the meeting:-

- (1) The Cabinet Member approved the contents of the report which described how the hospitality budget was spent on an event-by-event basis.**
- (2) The Cabinet Member decided, in consultation with the Shadow Cabinet Member, that, in view of the extenuating circumstances which caused the underspend of £12,278 on the Lord Mayor's Hospitality budget, £5,000 be transferred to the Lord Mayor's Charity Appeal.**

32. Coventry City Council's 2012/13 Report on Workforce Profile Information 2011/2012

The Cabinet Member considered a report of the Director of Customer and Workforce Services which provided information on the Council's workforce profile for 2011/12. The report enabled the City Council to fulfil its responsibilities under the Equality Act 2010 as set out within the Council's Equality Strategy.

The report set out summary information on employee headcount, full-time equivalent (FTE) and compared the years 2010/11 and 2011/12 on a number of equality measures.

The Cabinet Member noted that the headline workforce profile data for the year 1st April, 2011, to 31st March, 2012, which was taken from a snapshot of data on 31st March, 2012. The detail was included in Appendix 1 to the report. However, this information did not take account of any employees leaving under the ER/VR whose employment ended after 31st March, 2012,

The reductions relating to schools were inflated due to 5 secondary schools converting to Academy status in the 2011/12 year and therefore their employees will no longer be included in the analysis contained within future reports.

The report included the following summary equality data:-

- More than half of the Council's workforce was employed on a part-time basis (59.8%)
- The leaver rate for all employees was 20.7% and had increased from that reported last year (12.9% (adjusted)) this included employees leaving within the ER/VR programme
- 77.9% of the workforce was female

- At senior management level (above Grade 10) over half the workforce was female (67.8%)
- Black and Minority Ethnic (BME) representation in the workforce was 12.7%, this was an increase on last year's figure of 12.5%. The Core Council/Schools breakdown was shown in Appendix 1 to the report.
- The number of employees who had declared a disability had decreased to 3.99% from 4.16% (This was an area that was potentially under-reported, with over 23% of the workforce where their disability status was unknown. This under-reporting could hinder the Council's ability to meaningfully address issues for disabled staff and would be addressed through the next employee data gathering exercise). The Core Council/Schools breakdown was detailed in appendix 1 to the report.
- The largest age group (41%) in the Council's workforce was 45-59 years and the representation of young people (16-24) in the Council remained low at 5.7 %.

The information in the report and the statistical information in Appendix 1 to the report would be used to support the City Council's workforce planning objectives over the coming year. An Action Plan detailed in Appendix 2 had also been developed for 2012/13 with the purpose of improving the diversity of the workforce.

RESOLVED that after due consideration of the report and the matters raised at the meeting, the Cabinet Member noted the workforce profile information contained in the report and approved the Action Plan set out in Appendix 2 of the report.

33. **Outstanding Issues**

There were no outstanding issues.

34. **Any other Business**

There were no other items of business.

(Note: the meeting closed: 2.15 p.m.)

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Public report Cabinet Report

Name of Cabinet Member:

Cabinet Member (Strategic Finance and Resources)

5th December 2012

Director Approving Submission of the report:

Director of Customer and Workforce Services

Ward(s) affected:

All

Title:

First Quarter Hospitality Statement for the Mayoralty of Councillor Tim Sawdon 2012/2013

Is this a key decision?

No

Executive Summary:

This is the first Hospitality report for the Mayoral Year of Councillor Tim Sawdon. It updates the Cabinet Member on how the budget has been spent during the first quarter of the Mayoral Year and estimated expenditure for the second quarter.

Recommendations:

The Cabinet Member is recommended to approve the contents of the report which describes how the hospitality budget has been spent on an event-by-event basis.

List of Appendices included:

Appendix 1 sets out actual expenditure for the first quarter from the 17th May to 16th August 2012. Appendix 2 sets out estimated expenditure for the second quarter from 17th August to 16th November 2012.

Other useful background papers:

None.

Has it or will it be considered by Scrutiny?

No

Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council? No

Report title:

First Quarter Hospitality Statement for the Mayoralty of Councillor Tim Sawdon 2012-2013

1. Context (or background)

1.1 The start-year budget for the Mayoral Year is £65,596

2. Options considered and recommended proposal

2.1 The Cabinet Member is recommended to approve the contents of the report which describes how the hospitality budget has been spent on an event-by-event basis.

2.2 Total spending to the 16th August 2012 stands at £14,594. This means that 22% of the original Hospitality budget has been spent, which compares with an average of 20% for the same period for the previous three years.

3. Results of consultation undertaken

3.1 The Lord Mayor's hospitality budget is monitored on an event-by-event basis by the Lord Mayor's Supervisor and is reported on each quarter.

3.2 The Lord Mayor's Charity Appeal is also monitored on a quarterly basis. The beneficiaries for the charity appeal are The Heart of England Community Foundation. The balance as at 16th August 2012 stands at £3,927.

4. Timetable for implementing this decision

4.1 Preparations are already in hand for the events planned as outlined in Appendix 2.

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

The hospitality report is presented to the Cabinet Member on a quarterly basis and is expected to stay within the approved budget.

5.2 Legal implications

There are no legal implications arising from this report.

6. Other implications

None

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?

The Lord Mayor's Hospitality Budget is spent to reflect the Lord Mayor's Mission Statement as outlined in the Council's Constitution which aligns itself to the Council's core aims and objectives.

6.2 How is risk being managed?

No significant risks are associated with the budget management. Health and Safety issues are considered for all events with the more significant events eg Annual Meeting of the Council, Armed Forces Day, Remembrance Sunday Service and Parade being monitored by the Council's Safety Events Group.

6.3 What is the impact on the organisation?

No impact, the events are managed by the Lord Mayor's office.

6.4 Equalities / EIA

An Equality Impact Assessment for the Lord Mayor's Office was last undertaken in March 2009 to ensure the Mayoralty promotes equality across the city and the recommendations in this report do not constitute a change in service or policy.

6.5 Implications for (or impact on) the environment

None.

6.6 Implications for partner organisations?

None.

Report author(s):

Name and job title:

Jane Barlow, Lord Mayor's Supervisor

Directorate:

Customer and Workforce Services

Tel and email contact:

Extension 3047 jane.barlow@coventry.gov.uk

Enquiries should be directed to the above person.

Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Jennifer Godfrey	Accounting Technician	Finance & Legal		
Names of approvers: (officers and members)				
Bev Messinger	Director	CWS		
Helen Abraham	Asst Director (Democratic)	CWS		

Kathryn Sutherland	Manager Central Services Finance	Finance & Legal		
Clarissa Evans	Commercial Team Manager	Finance & Legal		
Claire Campbell	HR Manager	CWS		
Su Symonds	Governance Services Officer	CWS (Democratic Services)		

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www.coventry.gov.uk/moderngov

ACTUAL Costs of Functions held between 17th May – 16th August 2012

<u>Date</u>	<u>Function</u>	<u>Number of Guests</u>	<u>Actual Cost</u>
17.05.12	Contribution towards the Annual Meeting of the City Council	450	£2,500.00
18.05.12	Commencement of Mayoral Year Dinner	92	£3,554.01
25.05.12	Lunch following Coventry Cathedral's Golden Jubilee Service	110	£1,130.50
31.05.12	Commencement of HM Diamond Jubilee Celebrations on board HMS Diamond, Portsmouth	5	£396.69
29.05.12	Dinner following Royal Garden Party at Buckingham Palace	6	£191.68
03.06.12	Civic Visit to Cork	2	£434.02
06.06.12	Coventry & District Allotments and Gardens Prizегiving	95	£185.90
13.06.12	Contribution towards the costs of Coventry Inspiration Book Awards	-	£220.85
15.06.12	Civic Visit to Kiel	3	£464.81
30.06.12	Armed Forces Day	115	£2,754.18
03.07.12	Refreshments for Good Citizen Recipient prior to Full Council	6	£34.00
18.07.12	Farewell Dinner for Rev. J Irvine, Dean of Coventry	20	£781.92
28.07.12	Civic Dinner with Twin Cities prior to Godiva Awakes	50	£1,672.03
11.08.12	Breakfast at Start-off of 'Sent to Coventry' Charity Bike Ride	45	£152.50
General wines, spirits and refreshments costs for Quarter 1			£120.74
TOTAL			£14,593.83

ESTIMATED Costs of Function held between 17th August - 16th November 2012

<u>Date</u>	<u>Function</u>	<u>Estimated Number of Guests</u>	<u>Estimated Costs</u>
24.08.12	Donations towards Coventry Festival of Motoring 2012	-	£1,591.80
24.08.12	Costs associated with the Paralympic Games Lantern collection from London	6	£247.59
28.08.12	Launch of Water Aid Appeal	70	£1,298.91
14.09.12	International Children's Games Presentation Evening	70	£157.65
18.09.12	Refreshments for Good Citizen Recipient prior to Full Council	6	£24.60
28.09.12	Civic Reception for Assistant Chief Executive's Retirement	-	£838.32
08.10.12	Lord Mayor's Cadet Presentation Evening	14	£137.50
10.10.12	Donation to Sahil Project 25 Year Anniversary Event	-	£250.00
15.10.12	Reception for Coventry Literary Festival Organising Committee	26	£293.75
17.10.12	Lunch with Lord Mayor for the Day Children as part of Local Democracy Week 2012	10	£50.00
18.10.12	Buffet reception for Community Cohesion Awards	100	£500.00
23.10.12	Refreshments for Good Citizen Recipient prior to Full Council	6	£40.00
23.10.12	Business Meeting for Non-Executive Directors	5	£25.00
26.10.12	Tickets for the ABF The Soldiers' Charity Curry Supper	2	£60.00
06.11.12	Refreshments at Coventry Cork Poet's Evening	2	£6.08
08.11.12	Civic Reception for Residents' Associations Volunteers	50	£750.00
11.11.12	Remembrance Sunday Service and Parade	180	£3,500.00
12.11.12	Costs associated with the Annual Peace Lecture	100	£100.00
13.11.12	Special Freeman's Court for City Council Modern Apprentices	30	£75.00

14.11.12	Coventry International Prize for Peace and Reconciliation		£1,000.00
ESTIMATES TOTAL			£10,946.20
ACTUALS PREVIOUSLY REPORTED from QUARTER 1			£14,593.83
TOTAL			£25,540.03

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Public report Cabinet Member Report

Cabinet Member (Strategic Finance and Resources)
Scrutiny Co-ordination Committee

5th December
12th December

Name of Cabinet Member:

Cabinet Member (Strategic Finance and Resources) – Councillor Duggins

Director Approving Submission of the report:

Director of Finance and Legal Services

Ward(s) affected:

All

Title:

Performance of the Benefits Service for the period April 2012 – September 2012

Is this a key decision?

No

Executive Summary:

The purpose of this report is to update the Cabinet Member (Strategic Finance and Resources) on performance and developments within the benefits service during the period April to September 2012. The benefits service in Coventry administers more than £150 million of housing and council tax benefit (HB and CTB) to more than 41,000 households. During the period April 2012 to September 2012 the service processed the average new claim for benefit in 26.3 days and processed the average notification of a change in circumstance in 23.4 days.

Recommendations:

The Cabinet Member is requested to:

- 1) Note the performance of the benefits service for the period 1st April 2012 to 30th September 2012;
- 2) Agree to receive a further report at the first meeting of the new municipal calendar 2013/14 to provide an update for the period April 2012 to March 2013.

The Council's Scrutiny Co-ordination Committee is requested to:

- 1) Consider whether there are any comments/recommendations that they wish to make to the Cabinet Member

List of Appendices included:

None

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

Scrutiny Co-ordination Committee 12 December 2012

Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title:

Performance of the Benefits Service for the period April 2012 – September 2012.

1. Context (or background)

Coventry benefits service administers more than £150 million in housing benefit (HB) and council tax benefit (CTB) payments each year. The number of people claiming benefit has stayed almost exactly the same as at the same time last year – around 40,500.

2. Performance (new claims)

2.1 During the period 1st April 2012 to 30th September 2012 the benefits service has processed new HB/CTB claims in an average of 26.3 calendar days. This is 3.6 days faster than the same period in 2011/12. The final total achieved in 2011/12 was 26.05 days. The Service remains confident of similar improvement in the second half of the year, which will mean meeting the operational target of 23 days.

2.2 This performance has been achieved through maintaining focus on new claims and staff taking 'ownership' of the outcomes for customers (e.g by encouraging interviews and following up with phone calls). The service has also introduced new Information Technology to further improve the service. On-line claims were introduced in April and in the first six months over 440 people have chosen to claim in this way. The take-up has increased to an average of around 50 per week – around 18 per cent of our new claims. Risk-based verification of claims has also helped to speed up the process. This IT enhancement (from June 2012) enables the service to fast-track new claims which are identified as 'low-risk', and concentrate resources on higher risk cases to help reduce fraud and error. The initiative has resulted in around 54 per cent categorised as low risk – saving over 7,500 processing days up until 30th September 2012. A further enhancement to the software is being introduced in November 2012, which will further improve performance.

3. Performance (changes of circumstances)

3.1 During the period April to September 2012 the average time to deal with a notification of a change in circumstance was 23.4 days. This is above the operational target of 12.5 days and higher than the 19.4 days achieved for the same period in 2011/12. It is important to put this performance into context of the general improvement in our work. This has been significantly impacted by the on-going implementation of the Department of Work and Pensions (DWP) initiative (Automated Transfer of data to Local Authority Systems - ATLAS) to automate information on changes directly to councils.

- Outstanding work has reduced considerably in both numbers and date over the past 15 months. In June 2011 there were around 13,300 items of work outstanding. The oldest unallocated (no action taken) new claim was 102 days old with the oldest new claim outstanding 133 days. The oldest other work unallocated, (changes of circumstances) was 88 days old.
- At the end of September 2012, the total unallocated work was 3,200 items (excluding ATLAS work). The oldest unallocated new claim and change of circumstance was 21 days. The current total of ATLAS work outstanding is around 6,000 items.

3.2 ATLAS was introduced by the DWP in July 2011. The transfer of data from HMRC/DWP systems has had a major impact on all councils. A second phase in February 2012 saw an increase in the data sets (which include Tax Credits, Pension Credits, Attendance Allowance, Carers Allowance, Disability Living Allowance and a number of other benefits) advising councils of changes. In Coventry, since March 2012, we have received over 67,000 notifications through ATLAS. About 25 per cent of these would have previously been received through the DWP's electronic data transfer (ETDs) – so it is not all new work. However, there are a number of factors which have made the impact greater here:

- The Benefits IT system unlike some of the other major IT systems does not yet provide any automation of ATLAS notifications. This prevents the fast tracking (and 1 day performance) of a number of the changes. An enhancement due in December 2012 will help to improve this – and speed up the speed of processing some of these changes.
- We have had to put manual processes in place to deal with nearly 25,000 (in addition to the 67,000) notifications (of minor changes, such as name, address or phone numbers – these are often already held by us anyway). This is a clerical task.
- In July 2012, an attempt to automate the above process failed. It resulted in many duplicate records – and some missing files which had to be retrieved. It took nearly three months to investigate and resolve this problem. The outcome of this has been some older work needing to be worked on – adding to delays in processing changes. Considerable management time was spent undertaking routine tasks while the problem existed – and the missing files were identified in late September.

4. Customer service

4.1 The number of people making enquiries about their benefit has increased. Phone calls relating to HB and CTB rose from 37,952 in 2011/12 (first half year) to 42,015 in 2012/13 – an increase of over 10 per cent. People visiting our office in Spire House also increased from 23,541 to 24,579. The general view from staff is that enquiries are increasingly more complicated to deal with – and consequently take more time.

5. Local authority error overpayments

5.1 Whilst the service is above the operational target for processing change in circumstances, work is being prioritised to minimise Local authority (LA) error overpayments. LA error overpayments totalled £473,000 in the first half of the year. As the older work has progressed over recent weeks, the level of overpayments is starting to slow. The service expects the year-end total to remain below the lower threshold for the fifth consecutive year. The Council receives 100 per cent subsidy for LA error overpayments providing the overpaid amount does not exceed 0.48 per cent of normal benefit payments – projected to be approximately £740,000 in 2012/13.

6. Other initiatives to improve the Service

6.1 The service continues to face new challenges. Further significant reductions in the amount of benefit people receive commenced in January 2012. Although existing customers were protected for nine months, the cuts in benefit will mean over £5 million less paid per annum by the time all the protection runs out in December 2012. The service has and continues to communicate these changes to customers.

- 6.2 Discretionary Housing Payments (DHP) are used to help people in difficult circumstances with their housing costs. Our DHP policy has been reviewed, and we are awaiting final guidance and spending allocation from DWP for 2013/14. The revised policy will then be submitted for Members approval. The DHP team has been increased by one post (a cost absorbed by the service) to deal with the increase in applications for support. Applications in the first six months this year have risen to 319, compared to 253 for the same period last year – a 26 per cent increase.
- 6.3 The online claiming initiative is proving increasingly popular with the numbers rising each week. Currently, the assessment staff have to inform customers of what supporting information they have to provide for their claims. The enhancement to Risk Based Verification (due to be implemented in November 2012) will mean that people applying 'on-line' will know exactly which evidence they have to supply to support their claim. This will further speed up processing, save postage, and free-up staff time.
- 6.4 Landlords have an improved service. They can now access information about accounts where they are being paid 'direct'. We have trained all the RSL's on this software, and it is proving increasingly popular. We have also started to roll it out to private landlords. This will save their time and help to free-up our phone lines.
- 6.5 Three recruitment campaigns have resulted in 22 new benefit officers (over 25% of the assessment staff) being taken on. This has had a drain on resources to recruit, train and mentor the new staff. Welfare reform has meant a 'chain' of 'acting-up' positions. Currently six benefit officers are doing higher graded work. Agency staff have helped to cover this work – but with the added impact of bringing new staff in, it has not completely compensated for the loss of assessing expertise.
- 6.6 The service has worked hard to ensure customers receive a quicker service in our reception. We have recruited two apprentices to support our customer service improvements. The administrative team duties have been reviewed – and new job descriptions issued. This has resulted in all these staff providing a 'meet and greet' service at Spire House. This has helped to reduce waiting times and provide a 'fast-track' service for people wanting to hand-in documents, for example. Typically, over 50 per cent of customers are now seen within 15 minutes – a big improvement from around 30 per cent before the initiative was introduced.
- 6.7 Performance management has been introduced to help improve productivity since June 2012. There is a much greater focus on outputs and outcomes. In particular, recruitment of new employees includes a rigorous training period that runs concurrently with the probationary period of employment. This ensures that employees are only confirmed in post after achieving a satisfactory level of performance. This has meant that turnover of new employees has been slightly higher than previously experienced. This approach will contribute to the objective of achieving a highly skilled high performing workforce.

3. Results of consultation undertaken

3.1 No consultation has been undertaken.

4. Timetable for implementing this decision

Not applicable.

5. Comments from Director of Finance and Legal Services

5.1 The Administration of HB/CTB is being delivered within the current budgetary provision. The achievement of 100% subsidy on LA error overpayments, referred to in paragraph 5.8, will continue to be monitored closely in 2012/13.

5.2 Administrative subsidy for the benefit service reduced by £173k in 2011/12 and by a further £165k in 2012/13.

5.3 There are no legal implications arising from this report.

6. Other implications

None

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?

The effective administration of HB/CTB impacts on a range of agendas' and supports the Council's vision and objectives for jobs and growth, supporting young people and protecting vulnerable residents.

6.2 How is risk being managed?

Risks are managed in accordance with the corporate risk register.

6.3 What is the impact on the organisation?

None

6.4 Equalities / EIA

The duty under section 149 of the Equality Act 2010 is not affected by the matters set out in this report as the recommendations do not constitute a change in policy or service.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

The effective administration of HB/CTB is in the interests of a number of partner organisations, including local social and private landlords, and the benefits service works closely with those organisations.

Report author(s):

Name and job title:

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Head of Benefits

Directorate:
Finance and Legal Services

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Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
Barrie Strain	Revenues and Benefits Performance Manager	Finance and Legal Services	15/11/12	19/11/12
Alison Whitehead	Project Manager	Finance and Legal Services	15/11/12	19/11/12
Other members				
Names of approvers: (officers and members)				
Finance: Neil Chamberlain	Finance Manager	Finance & legal	15/11/12	19/11/12
Legal: Clarissa Evans	Commercial Team Manager	Finance & legal	15/11/12	19/11/12
Human Resources: Claire Campbell	HR Manager	Customer & Workforce Services	15/11/12	19/11/12

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Public report Cabinet Member Report

Cabinet Member (Strategic Finance and Resources
Scrutiny Coordination Committee)

5th December 2012
12th December 2012

Name of Cabinet Member:

Cabinet Member (Strategic Finance and Resources) – Councillor Duggins

Director Approving Submission of the report:

Director of Finance and Legal Services

Ward(s) affected:

All

Title:

Performance within the Revenues Service for the period April 2012 – September 2012

Is this a key decision?

No

Executive Summary:

The purpose of this report is to update the Cabinet Member (Strategic Finance and Resources) on performance and developments within the revenues service during the period 1 April 2012 to 30 September 2012. The revenues service is responsible for the collection of more than £106 million of council tax from 134,000 domestic properties, more than £117 million of non-domestic rates from 8,000 properties and more than £90 million of corporate income. At the half year stage the service has collected 55.4 per cent of council tax and 58.6 per cent of business rates and has made significant progress in reducing the amount of corporate debt which is more than six months old. The service is projected to collect 96 per cent of council tax and 98 per cent of business rates by the end of March 2013.

Recommendations:

The Cabinet Member is requested to:

- 1) Note the performance of the revenues service for the period 1st April 2012 to 30th September 2012;
- 2) Agree to receive a further report at the first meeting of the new municipal calendar 2013/14 to provide a review of the performance for April 2012 to March 2013.

The Council's Scrutiny Co-ordination Committee is requested to:

- 1) Consider whether there are any comments/recommendations that they wish to make to the Cabinet Member

List of Appendices included:

None

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

Scrutiny Co-ordination Committee 12 December 2012

Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title:

Performance within the Revenues Service for the period April 2012 – September 2012

1 Context (or background)

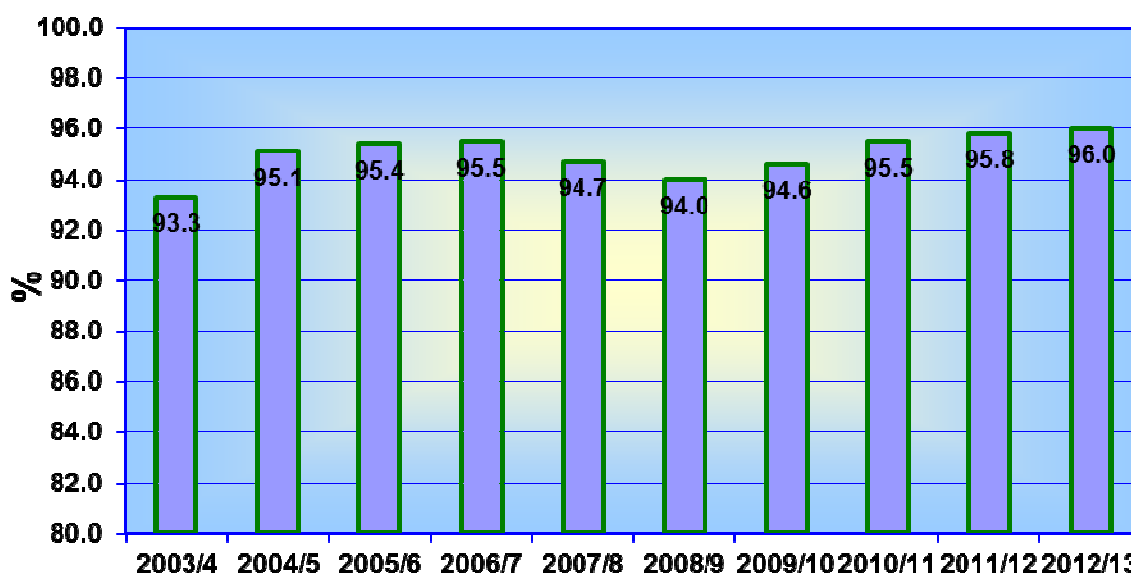
1.1 The purpose of this report is to update the Cabinet Member (Strategic Finance and Resources) on performance and developments within the revenues service during the period April 2012 to September 2012. The revenues service is responsible for the collection of more than £106 million of Council Tax from 134,000 domestic properties, more than £117 million of non-domestic rates from 8,000 properties and more than £90 million of corporate income.

2 Performance Update

Council Tax

2.1 As at 30 September 2012 the revenues service had collected £59 million (55.4 per cent) of the in-year collectible council tax for 2012/13. At the same point in 2011/12 the service had collected £58.2 million. The projected collection rate at year end in March 2013 is 96 per cent. The operational target for the service is 96 per cent collection and this would represent a continuation of recent year-on-year improvements in the collection rate as illustrated in figure 1 below.

Figure 1 – Council Tax in-year collection rate by year



2.2 The amount of council tax arrears has reduced by 21.8 per cent from £12.4 million at the beginning of April to £9.7 million at the end of September. The service is endeavouring to maximise the collection of prior year Council Tax Arrears, whilst maintaining continuous performance improvement to in year collection. The current operational target of 40 per cent is a stretching target in the current economic climate.

- 2.3 The transfer of the council tax telephone enquiry service took place on 4th September into the Contact Centre as part of the 'abc' Customer First migration project. A review of overall Council Tax collection performance will be included in the Revenues Annual Report due at the first meeting of the new municipal calendar in 2013

Business Rates

- 2.4 The revenues service has collected just under £69m (58.6per cent) of in-year collectible business rates and the service is projected to collect the target of 98 per cent of business rates by the end of March 2013. Achievement of this target would represent a significant achievement in the current economic climate which is challenging for local businesses.

Corporate Income

- 2.5 The Corporate Income Team is responsible for the billing and collection of invoices raised for goods and services provided by all Council Directorates ranging from Commercial Rent income, to Care Charges and one off services.
- 2.6 The operational target for the Corporate Income team is to reduce the amount of corporate debt which is more than six months old to less than £800,000 million by the end of March 2013. As at the end of September 2012 the service debt over six months stands at £1.14m and continues to reduce.

Housing Benefit Overpayment Debt

- 2.7 The level of housing benefit overpayment debt outstanding has increased, from £10.15 million at the beginning of April to £10.55 million at the end of September.
- 2.8 As at 30 September 2012, 55 per cent (£5.8 million) of the total debt outstanding is actively being repaid either through deduction from on-going benefit entitlement or from arranged payment instalments.
- 2.9 The service is conducting a detailed review of existing outstanding debt and continues to review working practices to ensure that recovery of debt is maximised. The service has had approval to recruit agency staff to help with the increase in workload. Cases are now being produced for action through the County Court
- 2.10 Approximately 90 per cent of overpayments created are due to an error or a delay by the benefit claimant. The service is projecting to remain below threshold, for the fifth consecutive year, for overpayments caused by a delay or an error by the Local Authority (LA). The Council therefore remains on target to receive 100 per cent subsidy on LA error overpayments.

3. Results of consultation undertaken

- 3.1 No consultation has been undertaken.

4. Timetable for implementing this decision

- 4.1 Not applicable.

5. Comments from Director of Finance and Legal Services

5.1 Council tax is an important source of income for the city Council. Each Extra 1% of council tax collected amounts to approximately £1 million in revenue to the Authority.

5.2 There are no legal implications arising from this report.

6. Other implications

None

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?

The effective collection of Council Tax, Business Rates and other corporate revenue is crucial to maximising the use of Council resources.

6.2 How is risk being managed?

Monthly reporting to Finance and Legal Services Management Team, Cabinet Member and Shadow Cabinet Member.

6.3 What is the impact on the organisation?

None

6.4 Equalities / EIA

The duty under section 149 of the Equality Act 2010 is not affected by the matters set out in this report as the recommendations do not constitute a change in policy or service.

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

Report author(s):

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Public report Cabinet Member Report

Cabinet Member (Strategic Finance and Resources)

5 December 2012

Name of Cabinet Member:

Cabinet Member (Strategic Finance and Resources) – Councillor Duggins

Director Approving Submission of the report:

Director of Customer and Workforce Services

Ward(s) affected:

All

Title:

Agency Workers and Interim Managers – Performance Management Report Q2 (1 July – 30 September 2012)

Is this a key decision?

No

Executive Summary:

- 1.1 To provide the Cabinet Member with performance information on the use of agency workers procured through the Master Vendor Contract for the Q1 period, 1 July to 30 September 2012; to compare Q1 2012/13 with Q2 2012/13 expenditure and finally to consider Interim Manager spends for the same period.

Recommendations:

The Cabinet Member is asked to:

1. Require monitoring processes to continue for both Agency workers and Interim Managers
2. Ensure compliance with the corporate policy on the recruitment of Temporary Agency Workers through the Master Vendor, Reed Recruitment and Interim managers through the Preferred Suppliers List
3. Continue to work towards reducing expenditure on the use of agency workers.

4. That future orders are not accepted if no reason is given for the need for the agency worker

List of Appendices included:

The information attached in Appendix I shows the total expenditure on agency workers by Directorates for Q2 2012/13 for spends with Reed .

The information attached in Appendix II shows the justification of new orders placed by Directorates for agency workers during Q2 2012/13 for spends with Reed.

The information attached in Appendix III shows in more detail, for Q2, what type of workers are being employed through agencies, the reasons and Directorates' actions in trying to reduce the spend.

Appendix IV shows a diversity breakdown of agency workers under the contract with Reed Recruitment for Q2.

Other useful background papers:

None

Has it or will it be considered by Scrutiny?

No

Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No

Report title:

Agency Workers and Interim Managers – Performance Mgt Report Q1 (1 July to 30 September 2012) and Interim Managers spends for Q2.

1. Context (or background)

The Master Vendor contract requires all agency workers to be ordered through Reed Recruitment and came into force on the 2 May 2011. Reed will supply all suitable agency workers through their own agency or through a 2nd tier arrangement with other agencies on behalf of the Council using rates of pay based on an agreed pay policy and a negotiated mark up rate with Reed. The information supplied by Reed on the agency spends gives detailed and accurate information on agency worker usage and spends.

2. Options considered and recommended proposal

The table in 2.1 below shows a comparison for Q1 2012/13 and comparisons with Q2 for 2012/13 and indicates if there has been an increase or a decrease in spend. The Master Vendor Contract covers all agency workers with the exception of interim managers for HAY Graded posts and schools.

2.1 Table for comparison with Q1 2011/12 and Q2 2011/12 Agency Spend.

Directorate	Spend Q1 2012/13	Spend Q2 2012/13	Increase/decrease
Children Learning & Young People	£175,873	£162,228	Decrease
City Services & Development	£163,754	£191,775	Increased
Community Services	£331,808	£322,559	Decreased
Customer & Workforce Services	£207,383	£231,467	Increased
Chief Executives	0	£89	Increased
Finance & Legal Services	£112,859	£155,407	Increased
TOTAL	£991,677	£1,063,525	Increased

Directorate Commentary on increased Agency worker Spend for Q2 2012/13**Customer & Workforce Services**

The acquisition of capacity and specialist skills to deliver key strategic ICT projects have resulted in an increase in the use of agency workers. This is in addition to cover for vacancies in the TOM during the recruitment cycle. Also, continuity of service has been critical in areas that experience staff turnover and maternity leave.

Business Services have needed to use limited agency worker assignments to address a backlog of work in a critical service area.

Finance and Legal Services

Permanent appointments to current vacancies have been delayed pending the outcome of piloting new ways of working. This is to ensure minimum dis-placement of current employees as a consequence. In addition, ongoing specialist Legal support required for Child and Adult care matters has continued. It has not been possible to meet the need for this support from within the current service model and resources.

The Revenues and Benefits service currently has a high demand with the caseload increasing as well as extra work through a government initiative to reduce overpayments, and is also facing a challenging time with many significant issues on welfare reform to deal with. The service needs to ensure that customers receive their benefit quickly and accurately – and this is more important given the pending changes. The agency workers are providing critical interim support and without this, there is a potential that delaying paying a customer their Housing Benefit could lead to an eviction situation. It will also provide resilience against a potential loss of funds to the Council, by preventing additional overpayments and impacting on subsidy thresholds.

Due to the migration of Housing Benefit to Universal Credit starting October 2013, the service is experiencing higher than usual attrition rates, and it is expected that agency support will continue in the medium term. The situation is kept under review by FLS Management Team.

City Services and Development

The primary reasons for the use of agency workers within the directorate have been due to the increased activities and work as a result of the various events taking place across the City due to the Olympic Games. In addition, due to the poor weather over the summer additional grounds maintenance work needed to be carried out in the cemeteries to catch up on grass cutting which resulted in additional staff being required.

Interim Management Spend for Q1 2012/13 and Q2 2012/13

Table 2.3 shows a summary of spend for Interim Management in Q1 2012/13 and Q1 2012/13. This relates to cover for Senior Hay graded jobs over £50,000 pa. The Interim Manager Contract started in January 2009.

Directorate	Number of Managers Q1	Total Spend Q1	Number of Managers Q2	Total Spend Q2
Community Services	3	£76,546	1	£24,360
Children Learning & Young People	1	£5480	1	£13,152
TOTAL	4	£82,026	2	£37,512

Savings

The cost of agency workers is made up of the pay rate for the work plus working time directive payments, national insurance payments and a margin or mark up to the agency. As part of the Master Vendor contract, fixed pay rates have been set corporately for each job category. Given that national insurance payments and the working time directive are fixed legislative requirements, Reed's procurement of agency workers is based on reducing agency mark ups in order to generate cashable savings.

The Management rebate for 2012/13 was set at £400K based on last years rebate. For Q2 we received a rebate of £143,277. This gives a total rebate to date for Q1 and Q2 of £278,020.

Management Board Comment

The Master Vendor contract was a planned strategy to work towards reducing the level of agency spends and to better understand where and how we use agency workers.

There will always be the need to use agency workers. However, it is acknowledged that current usage is still too high because of the need to cover sickness absence, short-term cover, cover whilst Fundamental Service Reviews are taking place with the need for scarce skills and workers required during these reviews and organisational restructures.

In terms of the cost of using agency workers, it is important to note that not all of the cost is in addition to normal staffing budgets. Although agency cover associated with sickness absence in front line services is often an additional cost, in the case of agency cover for vacant posts the cost will be covered by the relevant staffing budget.

Where opportunities exist for bulk recruitment campaigns to front line essential services, the Human Resources Recruitment Team will continue to work with service managers to establish registers of workers, who are available for casual, temporary or permanent work in order to reduce the use of agency workers. This became more important with the onset of the Agency Workers Directive on the 1 October 2011 when we expected to see spends on agency workers to rise to take account of increased rates brought on by the introduction of the Directive. The Agency Workers Directive may entitle some agency workers, who complete a 12 week qualifying period, to be eligible to receive a higher hourly rate, ensuring they have equal rights in terms and conditions of employment to those of our own employees. Reed Recruitment, our agency worker Master Vendor supplier, recently produced a report to estimate the impact on the costs of agency workers based on the previous 6 months spends on agency workers and who would have qualified under the Agency Workers Regulations. The report showed that there had been a very low impact on the increased costs of agency workers. This was due, in part, to the work that had been undertaken by Human Resources, prior to the previous Neutral Vendor Contract, on ensuring our rates of pay for agency workers were based on our existing workers' pay rates, for the most part. We are expecting there may be a further increase in Q4 due to the Pension auto enrolment regulation which will come into effect with Reed for any work undertaken from the 1 January 2013. It will only impact initially on agency workers who are Pay as you Earn (PAYE) workers with Reed and will increase costs by 0.75% across the pay and Working Time Regulations elements.

3. Results of consultation undertaken

- 3.1 The report sets out the steps the Council is taking to reduce expenditure on agency workers, particularly in those areas where they are used most intensively.
- 3.2 The report is able to identify more accurately spend on agency workers and the reasons for spend.
- 3.3 Officers will continue to bring the monitoring information to the Cabinet Member and steps will continue to be taken to endeavour to reduce the level of expenditure.
- 3.4 Management Information has given the opportunity for the Recruitment Team to target large areas with high usage of agency workers to try and reduce the need for agency workers. This work is ongoing.

4. Timetable for implementing this decision

Not applicable

5. Comments from Director of Finance and Legal Services

5.1 Financial implications

Quarterly monitoring of expenditure on agency workers will continue throughout the contract. The cost of agency workers for the current reporting period from the Reed system is £1,010,359 which equates to 2.46% of the overall wage bill for this quarter (excluding schools).

Reed operates a live management accounts system which places the cost of agency workers in the period the work took place rather than the period of time in which the Council was billed for or paid the related invoices. Reed's system shows the volume of agency activity/usage in a particular quarter irrespective of when invoices are paid. Therefore this information will be different from that which has gone through the Council's financial systems during Q1.

Reed's system only incorporates timesheets authorised by managers and therefore the costs for a particular quarter will increase throughout the year as more timesheets are authorised. At present Reed are unable to provide us with a figure for the unauthorised timesheets outstanding and we have asked if a report could be developed to enable us to report on this figure in the future.

5.2 Legal implications

There are no specific legal implications associated with this report.

6. Other implications

6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?

The Agency Worker Contract arrangement provides good value for money in relation to the procurement of agency workers. It also provides firmer controls on the use of agency workers and has in place sound management reporting to see where spend is taking place to target recruitment, maximise resources, and reduce spend on agency workers.

6.2 How is risk being managed?

No risks identified

6.3 What is the impact on the organisation?

Through the rigorous monitoring of the use of agency workers and alternative strategies for resourcing short-term work requirements, the dependency on agency workers should be reduced. The Council's Policy on the use of agency workers states that Agency Workers should only be used when:

- Proper recruitment processes have failed to secure an appointment and staff cover has become crucial to the delivery of services;
- Short-term temporary cover is required until proper recruitment processes have been completed and an appointment is made;
- Unplanned absences require immediate cover to ensure continuity of services;
- Unplanned, short-term or peak workloads occur.

Human Resources are proactively supporting managers to reduce agency spend.

6.4 Equalities / EIA

We are now able to show the Ethnic Monitoring data that has been provided by Reed and is shown in Appendix III. This information will inform workforce planning, Entry to Employment initiatives and recruitment drives. No equality impact assessment has been carried out as the recommendations do not constitute a change in service or policy

6.5 Implications for (or impact on) the environment

None

6.6 Implications for partner organisations?

None

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Directorate:

Customer & Workforce Services

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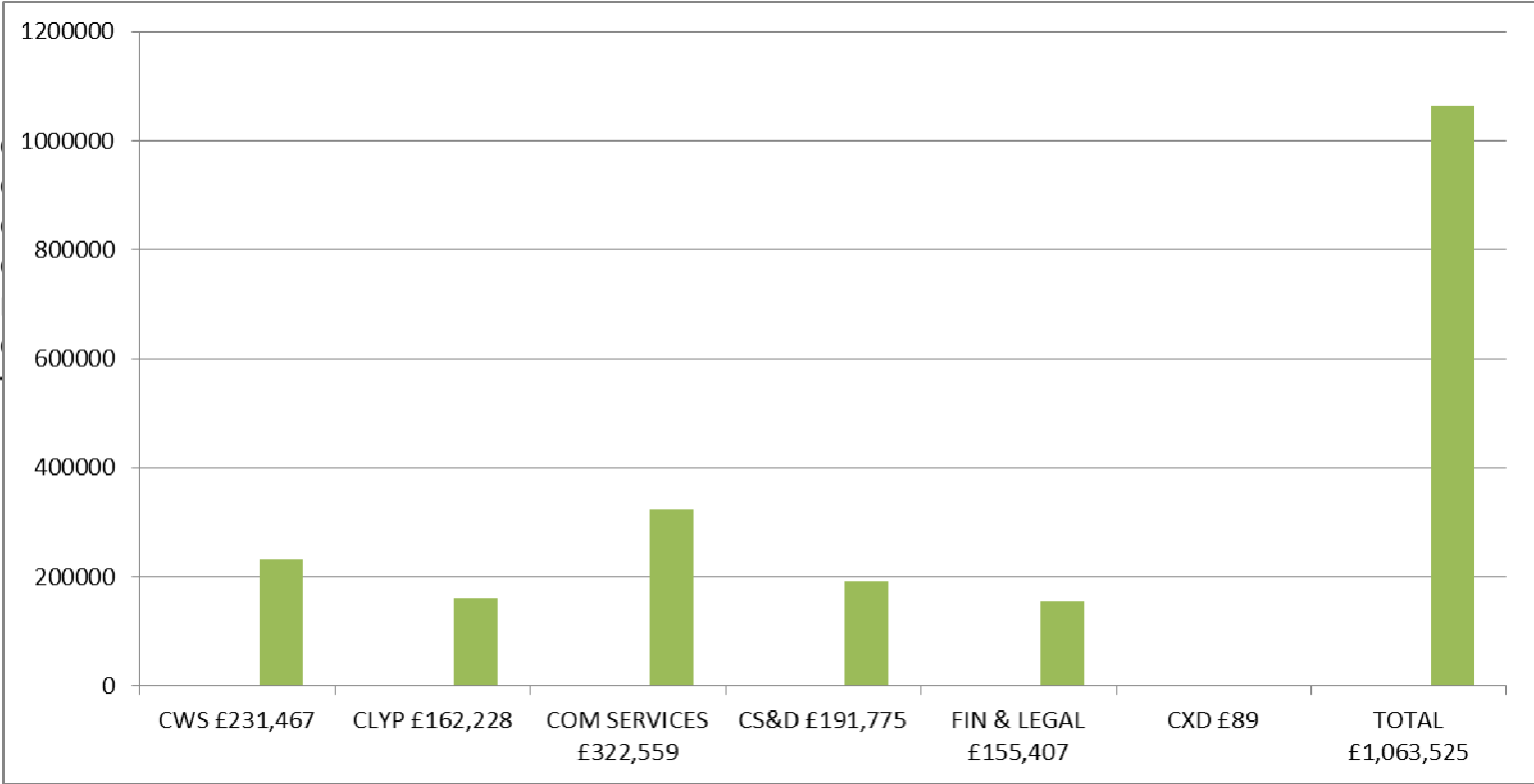
Contributor/approver name	Title	Directorate or organisation	Date doc sent out	Date response received or approved
Contributors:				
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Names of approvers: (officers and members)				
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ICT	Jonathan Guy	Customer and Workforce Services	15 November 2012	15 November 2012
Director Clearance details	Bev Messinger	Customer & Workforce Services	15 November 2012	
Member: Councillor Duggins				

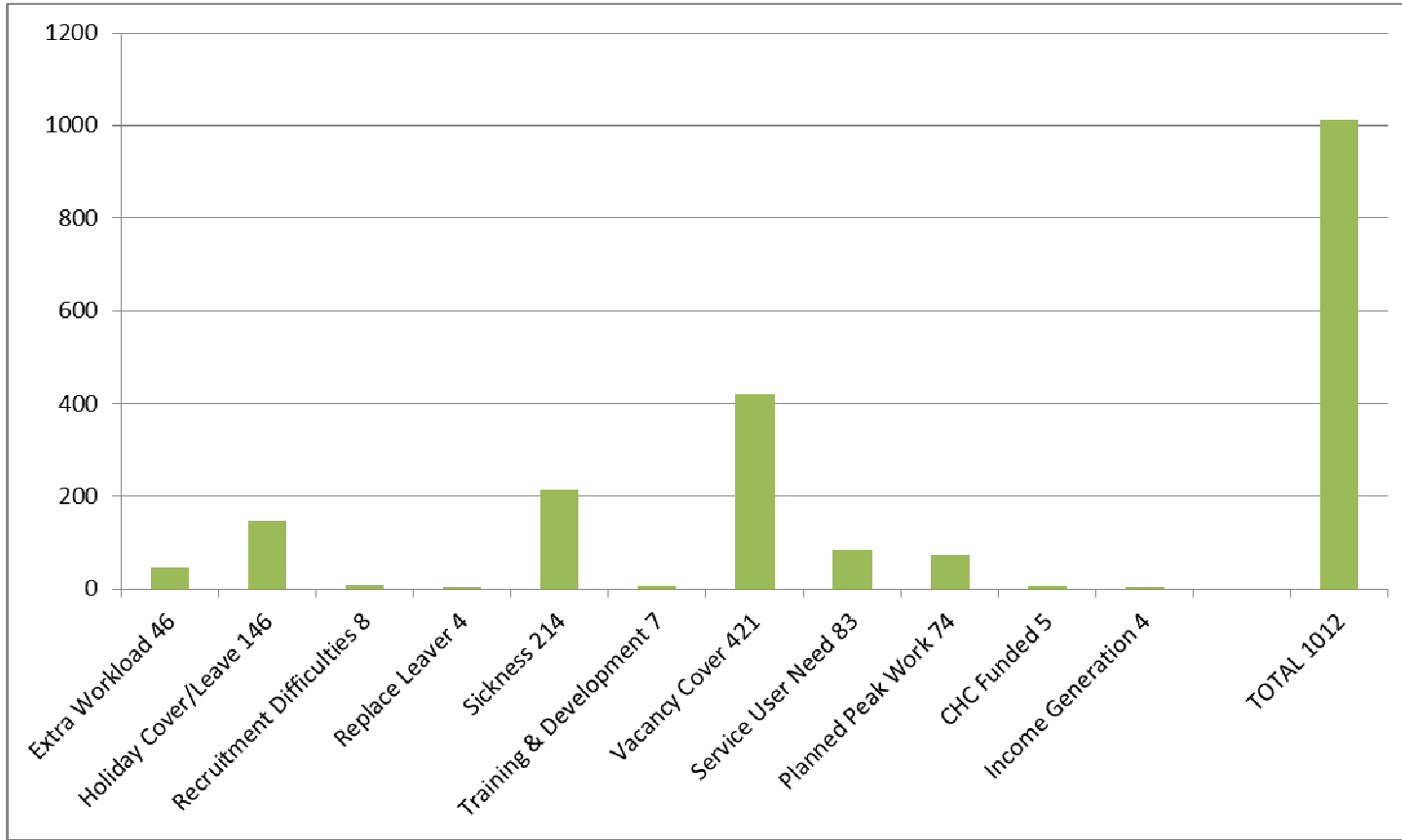
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APPENDIX I - TOTAL SPEND BY DIRECTORATE QUARTER 2: JULY TO SEPTEMBER 2012



APPENDIX II - ORDER JUSTIFICATION QUARTER 2: JULY - SEPTEMBER 2012



APPENDIX III DIVERSITY BREAKDOWN OF AGENCY WORKERS QUARTER 2 JULY - SEPT 2012

Ethnic Origin	Total
African	36
Any Other Black Background	5
British	43
Caribbean	8
Indian	6
None Stated	417
Pakistani	1
White (European)	6
White (Other)	0
White & Asian	0
	522

Age	Total
16-19	4
20-30	105
31-40	139
41-50	190
51+	84
None Stated	0
	522

Gender	Total
Female	289
Male	233
	522

APPENDIX IV SUMMARY OF USE OF AGENCY WORKERS BY DIRECTORATE AND STRATEGIES IN PLACE FOR REDUCING DEPENDENCY ON AGENCY WORKERS
Q2 July - September 2012

Directorate	Q1 April - June 2012 Expenditure by Service Area	Q2 July – Sept 2012 Expenditure by Service Area	Justification of new Orders placed in Q2	State Usage of Agency Workers in Q2	What Strategies are in place for Reducing Dependency on Agency Workers
Chief Executive	£0	<u>£89</u>	Market Research: 3	Agency workers were used to contribute to the evaluation of events during Coventry's Olympic year. Specialist skills aided the development of long term plans for future events and ensuring that the city benefited from the Games and associated activity. Agency workers were used only to collect information during events.	The requirement was time limited and no further dependency is expected.
Children, Learning and Young People	Total Expenditure Q 1 £175,873	Total Expenditure Q 2 <u>£162,228</u>	Extra Workload: 17 Service User Need:8 Vacancy Cover: 14 Leave/Hol Cover: 4 Planned peak work:1 Sickness cover: 1 Total: 45		
City Services & Development	Total Expenditure Q 1 £99,754	Total Expenditure Q 2 <u>£191,775</u>	Recruit Difficulties: 3 Extra Workload: 8 Sickness Cover: 21 Leave/Hol Cover: 1 Vacancy Cover: 17 Planned Peak Work: 33 Service User need: 8 Total: 91	Total spend on agency workers within the directorate during the 2nd quarter of 2012/13 was £138,609. This is an increase of £38,855 over the expenditure in Quarter 1. The primary reasons for the use of agency workers within the directorate have	CS&D has a number of used strategies in place to ensure the use and expenditure on Agency Workers is monitored and steps are taken to reduce their use, e.g: -Before going down either route we look at the opportunity for internal

				<p>been due to the increased activities and work as a result of the various events taking place across the City due to the Olympic Games. In addition, due to the poor weather over the summer additional grounds maintenance work needed to be carried out in the cemeteries to catch up on grass cutting which resulted in additional staff being required.</p>	<p>secondment of an existing employee. -Managers are required to consider if the use of agency staff or a short term contract is justified in terms of providing value for money against the alternative of recruitment. Recruitment remains the normal way in which the vast majority of posts are filled. -Assistant Directors monitor the use and expenditure on Agency Workers -The Directorate has completed work on creating casual worker pools.</p>
Community Services	<p>Total Expenditure Q 1</p> <p>£331,808</p>	<p>Total Expenditure Q 2</p> <p><u>£322,559</u></p>	<p>Replace Leaver:2 Extra Workload:4 Sickness Cover: 188 Hol Cover: 141 Service User need:50 Training & Dev: 7 Vacancy Cover: 364 CHC Funded: 5 Planned Peak Work: 5 Income Gen: 2</p> <p>Total: 768</p>		<p>Strategies in place to ensure the use and expenditure on Agency workers is monitored and steps taken to reduce their use include:</p> <ul style="list-style-type: none"> *setting up a relief worker and casual workers pool *Managers are required to gain authorisation from a General Manager prior to taking on agency staff. This began in late September. Recruitment initiatives are ongoing for all Internally Provided Services. A number of contracts are now temporary due to future reviews. PHAW is being followed resulting in some dismissals requiring agency staff to cover temporarily. A flexible staffing policy currently being developed

					will enable staff to move more easily between units to provide cover.
Customer & Workforce Services	Total Expenditure Q 1 £207,383	Total Expenditure Q 2 <u>£231,467</u>	Recruitment Difficulties: 5 Extra Workload: 10 Vacancy cover: 17 Sickness: 1 Service User Need: 10 Planned Peak Work: 17 Total: 60	The acquisition of capacity and specialist skills to deliver key strategic projects have resulted in an increase in the use of agency workers. This is in addition to cover for vacancies in the TOM during the recruitment cycle. Also, continuity of service has been critical in areas that experience staff turnover and maternity leave. Business Services have needed to use limited agency worker assignments to address a backlog of work in a critical service area.	Agency contracts are ended as soon as the key skills requirements can be released and the knowledge transfer has been achieved. Every effort is being made to achieve a fully staff Target Operating Model to reduce the dependency on short term agency workers used to backfill vacancies. Business Services are continuing to recruit to vacancies alongside identifying improved efficiencies in service delivery and ongoing dependency on agency workers is not anticipated.
Finance & Legal Services	Total Expenditure Q 1: £112,859	Total Expenditure Q 2: <u>£155,407</u>	Replace Leaver: 2 Extra Workload: 7 Sick: 3 Planned peak work: 15 Service User Need: 7 Vacancy Cover: 9 Income Gen: 2 Total: 45	Permanent appointments to current vacancies have been delayed pending the outcome of piloting new ways of working. This is to ensure minimum displacement of current employees as a consequence. In addition, ongoing specialist Legal support required for Child and Adult care matters has continued. It has not been possible to meet the need for this support from within the current service model and resources. The Revenues and	A strategy has been developed and is awaiting approval to remove all agency workers in early 2013 following a successful pilot of new ways of working and an assessment of demand for growing areas in legal demand. Revenue and Benefits have undertaken a recruitment campaign to fill vacancies and remove dependency on agency workers.

				<p>Benefits service currently has a high demand with the caseload increasing as well as extra work through a government initiative to reduce overpayments, and is also facing a challenging time with many significant issues on welfare reform to deal with. The service needs to ensure that customers receive their benefit quickly and accurately – and this is more important given the pending changes. The agency workers are providing critical interim support and without this, there is a potential that delaying paying a customer their Housing Benefit could lead to an eviction situation. It will also provide resilience against a potential loss of funds to the Council, by preventing additional overpayments and impacting on subsidy thresholds.</p> <p>Due to the migration of Housing Benefit to Universal Credit starting October 2013, the service is experiencing higher than usual attrition</p>	
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				rates, and it is expected that agency support will continue in the medium term. The situation is kept under review by FLS Management Team.	
OVERALL TOTALS	Q1 £927,677	Q2 1,063,525	Q2 Total orders placed: 1012		



Cabinet Member (Strategic Finance and Resources)
Scrutiny Co-ordination Committee

5 December 2012
23 January 2013

Name of Cabinet Member:

Cabinet Member (Strategic Finance & Resources) – Councillor Duggins

Director Approving Submission of the report:

Director of Customer & Workforce Services

Ward(s) affected:

None

Title:

6 month (April – September 2012) Cumulative Sickness Absence 2012/2013

Is this a key decision?

No

Executive Summary:

To enable Cabinet Member (Strategic Finance & Resources) to monitor:

- Levels of sickness absence for the 6 month period from April – September 2012.
- The actions being taken to manage absence and promote health at work across the City Council

Recommendations:

Cabinet Member is asked:

To receive this report providing sickness absence data for the 6 month period of April September 2012 and accept the actions taken to monitor and manage sickness.

Scrutiny Coordination Committee is asked:

To note the first 6 months absence figures and to support the actions taken to monitor and manage absence and promote health at work.

List of Appendices included:

Appendix 1 – Coventry City Council – Days Lost per FTE 2004 - 2012

Appendix 2 – Directorate Summary Out-turn (2011/2012 and 2012/2013)

Appendix 3 - Reasons for Absence – (April - September 2012)

Appendix 4 – Days Lost per FTE, by Directorate (April – September 2012)

Appendix 5 - Coventry City Council Percentage Breakdown of Absence (April – September 2012)

Appendix 6 - Coventry City Council Spread of Sickness Absence (By Length of Days) – (April – September 2012)

Appendix 7 and 8 - Summary of Occupational Health & Counselling Services Activities Undertaken – (April – September 2012)

Other useful background papers:

None.

Has it or will it be considered by Scrutiny?

Yes, Scrutiny Coordination Committee 23 January 2013.

Has it, or will it be considered by any other Council Committee, Advisory Panel or other body?

No

Will this report go to Council?

No.

Report title:

6 Month (April – September 2012) Cumulative Sickness Absence

1. Context (or background)

- 1.1 Annual and Quarterly Information is based on full time equivalent (FTE) average days lost per person against the FTE average days per person available for work. This is the method that was previously required by the Audit Commission for annual Best Value performance indicator reporting. The City Council continues to use this method to ensure consistency with previously published data.
- 1.2 This report gives the cumulative sickness absence figures for the Council and individual directorates.

2 Performance and Projections

2.1

FTE Average Days Lost	All Employees	All Employees (except teachers)	Teachers
2011/12 – Qtr 2	3.69	4.09	2.30
2012/13 – Qtr 2	4.05	4.46	2.63

Annual FTE Average Days Lost	All Employees	All Employees (except teachers)	Teachers
2012/13 Projected	9.31	10.00	6.80
2012/13 Target	8.50	9.13	6.30

2.2 Indicative Cost of Sickness Absence

The indicative cost of sickness absence is calculated using a range of 12 separate salary bands (or levels) to produce an average daily cost of sickness for each band. These banded daily costs are then mapped against the projected sickness outturn to produce a total cost of sickness.

The table below shows the indicative cost of sickness for 2012/13 using this method of calculation.

2012/13	All Employees	All Employees (except teachers)	Teachers
Annual Cost	£13.2m	£9.1m	£4.1m
Annual Target Cost	£12.8m	£9.1m	£3.7m
Difference	£0.4m	£0.0m	£0.4m

The Quarter 2 projected annual cost of sickness absence for all employees' stands at £0.3m above the target cost. This is broken down into all employees except teachers projecting £0.1m below target and teachers projecting £0.4m above target cost.

3 Reasons for Absence

3.1 Appendix 3 Illustrates that:

- The most incidents of sickness absence across the City Council in April – September 2012 is Stomach, Liver and Gastroenteritis accounting for 1584 occasions. The amount of *time* lost through Stomach, Liver and Gastroenteritis was 4,329.44 days.
- The amount of *time* lost through Stress, Depression, and Anxiety was 9,155.36 days, making it the highest cause of time lost. However, it is not possible to differentiate between personal stress and work related stress.
- The second and third most prevalent reasons for time lost due to sickness absence were Other Musculo-Skeletal Problems (8,386.94 days) and Stomach, Liver and Gastroenteritis (4,329.44 days).

3.2 A comparison of year on year figures across the authority reveals that

- Quarter 2 (ending September 2009) out turn was 4.53 days (average sick days lost per full time equivalent employee),
- Quarter 2 (ending September 2010) out turn was 4.47 days (average sick days lost per full time equivalent employee),
- Quarter 2 (ending September 2011) out turn was 3.69 days (average sick days lost per full time equivalent employee),
- Quarter 2 (ending September 2012) out turn was 4.05 days (average sick days lost per full time equivalent employee),

When comparing this Quarter 2 (2011/12) out turn with last years in the same period, it (2012/2013) reveals that:-

- There has been an increase of 7,815.81 working hours lost.
- A reduction of £22,556.59 in respect of cost of absence.
- A reduction in the number of occurrences by 336.
- An increase in the total days lost per FTE by 1025.73 days.
- Stress has increased by 895.74 days.
- Musculoskeletal has increased by 1,474.28 days.

- Infections, colds and flu have increased by 148.75 days.
- Chest, respiratory, chest infection had reduced by 258.77 days.

3.3 Frequent and Long Term Absence

3.3.1 Appendix 5 provides the breakdown between frequent and long-term absence levels during April – September 2012.

3.3.2 Appendix 6 provides a more detailed breakdown of the duration of absences.

3.4 Dismissals through Promoting Health at Work Corporate Procedure

During April – September 2012, there has been a total of 19 dismissals in accordance the Promoting Health at Work Corporate Procedure. 4 dismissals have been ill health retirement and 15 dismissals have been where the City Council cannot continue to sustain the level of sickness absence.

4. Options considered and recommended proposal

4.1 Activities during Quarter 2 from the HR Health & Wellbeing Team

4.1.1 The HR Health & Well Being Team aims to ensure a consistent approach to sickness absence management and is responsible for providing information on sickness absence to DMTs/Senior Managers on a monthly basis and supporting managers in the application of the Council's Promoting Health at Work procedure.

4.1.2 Directorate Management Teams review summary absence reports on a monthly basis to monitor progress and determine actions needed to address any hotspots.

4.1.3 The Health & Well Being Team have also implemented the following proactive strategies to support the authority to reduce levels of sickness absence in 2012/13:

- Robust approach is being taken to the management of sickness absence casework with the application of a revised model, resulting in no more than 4 meetings having to take place before a decision is made about an employees continued employment.
- A monthly system to alert Assistant Directors when employees hit a sickness absence trigger point and have not been seen as part of the Promoting Health at Work Procedure.
- Training is provided to managers to support dealing with both practical and procedural issues. An ongoing programme of training in carrying out return to work interviews and Promoting Health at Work meetings is taking place across the Council as a whole. During Quarter 2 over 50 managers/supervisors and team leaders undertook training
- Training has allowed managers the opportunity to refresh their knowledge and understanding of taking an absence call, conducting effective return to work

meetings and understanding the rationale for making reasonable adjustments in the work place to facilitate an employee's return to work.

- 4.1.4 A number of service areas hold regular 'sickness summits' on a bi-monthly, quarterly or as needed basis.

These serve as a useful mechanism to ensure absence levels remain a high priority and are well-managed for all parties, with the aim to reduce these levels for the Council and to enable services to be cost-effectively delivered to the public.

The purpose of 'sickness summits', are to provide an opportunity for Management with the relevant Head of Service / Assistant Director, to review sickness cases within a given area. This is to ensure they are being picked up in a timely manner and are being robustly, consistently, fairly and appropriately managed through the application of the Promoting Health at Work process.

The summits provide an opportunity for Managers to share good practice and experience in managing absence levels, as well as to gain further advice, support and updates on changes to procedure and support the Council can provide to its employees, from their Lead HR Representative.

One of the particular key benefits of sickness summits has been to identify hotspot areas, or key issues / reasons for absence within service areas. This enables the advice, support and resources to be tailored to ensure these issues are addressed and managed and that our employees are appropriately supported. This has proved to be very useful in making a positive impact in the working environments and on attendance levels

4.2 Be Healthy Be Well Initiative

The Be Healthy Be Well initiative is joint project between the Health & Well Being Team and Occupational Health & Counselling Support Team which was launched in January 2012. The primary aim of the initiative is to act as central source of information and encourage Council employees to get Fit and Healthy in 2012 and beyond.

Various activities and events have been taking place as part of the initiative in the second quarter

- Coventry Sports Foundation & Coventry Sports Trust provided free gym/activity passes to Council staff.
- Continued promotion of Free football sessions – provided by the Sky Blues outreach project
- Launch of the 12 week cut price fitness programme by the Sports Foundation & Sports Trust for Council staff as part of the Be Healthy Be Well initiative. The programme provided Council staff with the opportunity to attend

discounted classes like – Swimming, Indoor Football, Zumba, Badminton, Cycling, Boxercise, Pilates, Table Tennis, BoxFit, Squash & Spinning Classes

- Health Eating Event delivered by Cook & Eat Well – Council staff were provided with the opportunity to obtain information on healthy eating, health meal preparation and cooking demonstrations
- British Military Fitness (BMF) offered one week's free training
- Coventry University Sports Centre offered Coventry City Council employees a membership to their exclusive CU Active Fitness Suite. The early riser membership allowed staff to have a workout before work at half the normal cost.
- The English Table Tennis Association provided the Council with a mini table tennis table to use – this was located in the Contact Centre for staff to use in their own time
- Promoted the Back to Netball campaign – discounted sessions for staff
- Continuation with publication of the very popular & informative monthly Be Healthy Be Well newsletter
- Discounted Badminton & Zumba classes were extended for staff

4.3 Activities during Quarter 2 from the Occupational Health Team

The Occupational Health and Counselling team provide a vital role in supporting the management of sickness absence process. Some of the key issues the team led on during the second quarter of 2012/13 were:-

- **The Stress Audit** programme has been further developed and the questions improved, which should encourage the use of the Audit in managing stress in the workplace.
- **A new Carer Support Group**, for all those employees who have responsibility caring for someone, i.e., through disability, is now available at the Occupational Health and Counselling Unit.
- **The Retirement Course** has been promoted in support of the ER/VR Programme
- **Mental Wellbeing Policy and Guidelines** were agreed and training for managers has been rolled out to management teams.
- **The Emotional Resilience and Managing Change** training and support programme has continued to be promoted.

- **A Wellbeing Event** was carried out for Cardinal Newman School and was very positively evaluated. This contributes to maintaining the SLA.
- **The Cancer Buddy Scheme** has been consolidated - there are 8 Cancer Buddy volunteers who have been mentored and supported by one of the counsellors. However there have been no requests for a Buddy so far.
- **Medical and nursing advice** - over Quarter 2 a programme to increase doctors and occupational health advisors dialogue with managers before and after health assessments has continued, to improve the management of sickness absence.
- **Healthy Lifestyles health screening 'drop in' clinics** - monthly health screening clinics are being run on a 'drop in' basis to make it easier for employees to have blood pressure, cholesterol, blood sugar and urine tests, along with fitness assessments and health advice.
- **The Flex and Stretch programme** - which includes desk based exercise and advice has continued for highly sedentary service areas and is ongoing.
- **A five week physiotherapy student mentorship programme** has successfully concluded with a very positive evaluation from the student.

5. **Timetable for implementing this decision**

None.

6. **Comments from Director of Finance and Legal Services**

6.1 Financial implications

Sickness absence impacts on the ability of the Council to deliver its services with replacement cover required in many service areas at an additional cost to the Council.

6.2 Legal implications

There are no legal implications resulting from this report

7. **Other implications**

There are no other specific implications

7.1 **How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / LAA (or Coventry SCS)?**

Sickness absence is one of the Council's corporate plan targets and performance is reported to Cabinet Member (Strategic Finance & Resources) on a quarterly basis with the final quarter containing the outturn report.

7.2 How is risk being managed?

The Promoting Health at Work strategy will require further development to examine more intensively issues such as working conditions, accidents, work related ill health, and industrial injuries in addition to managing absence. This will involve liaison with colleagues in the area of safety management and occupational health, and will also include analysis of sickness data to identify the relationship between specific causes of absence and occupational groups.

7.3 What is the impact on the organisation?

Human Resources

The HR Health and Wellbeing team and the Occupational Health and Counselling Service, support absence management across the whole City Council. The teams support managers to deal with sickness promptly and consistently within all directorates.

Information and Communication Technology

Improvements will continue to be made to the reporting process through Resource link management information to improve accuracy and detail of information in relation to all absences.

Trade Union Consultation

Consultation with the trade unions is ongoing. The trade unions are kept up to date on the latest absence figures and are actively involved in casework regarding sickness absence management.

7.4 Equalities / EIA

The application of the sickness absence management processes are continually reviewed to ensure compliance with the Council's duty under Section 149 of the Equality Act 2010.

7.5 Implications for (or impact on) the environment

None.

7.6 Implications for partner organisations?

None.

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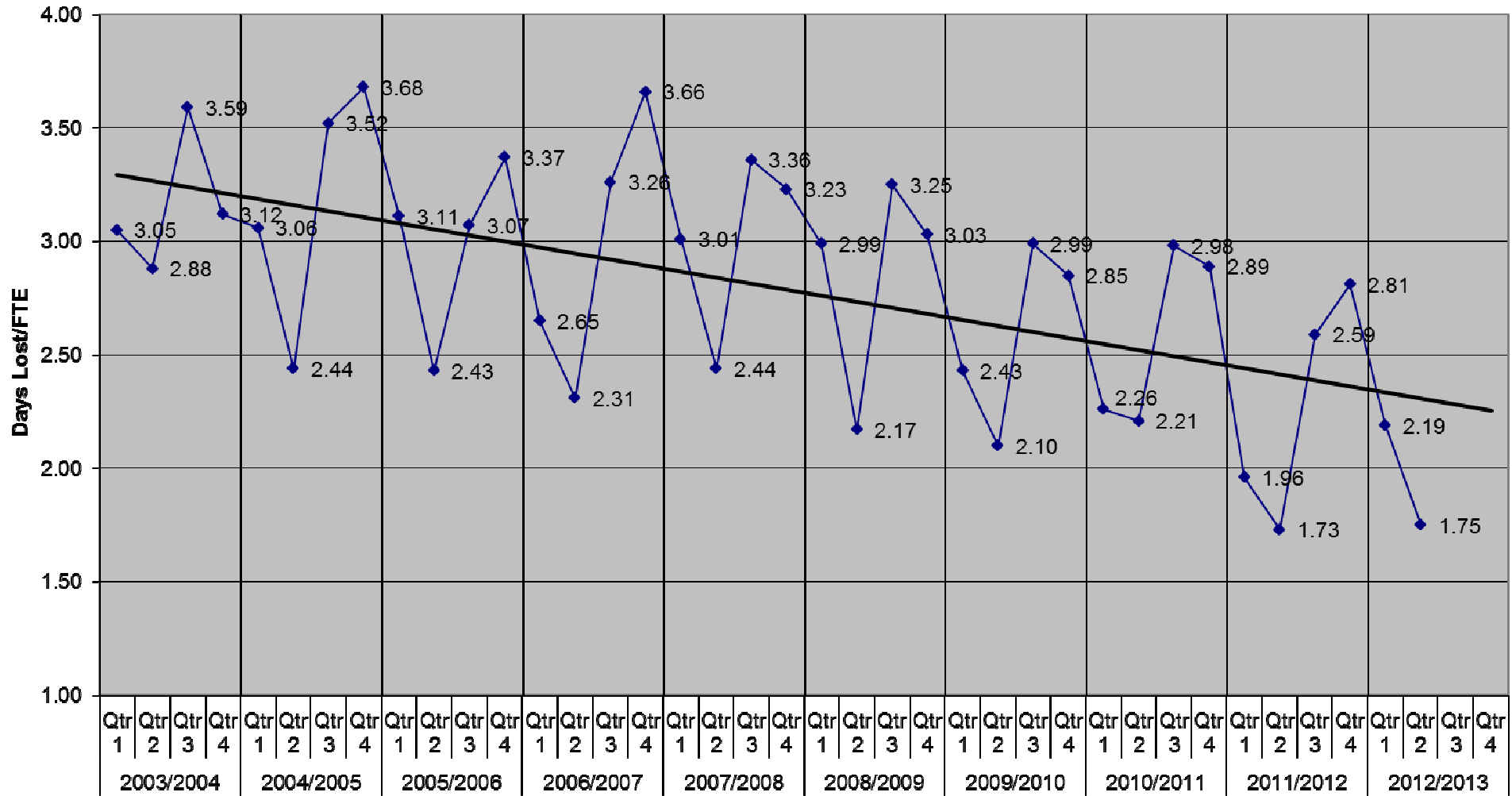
Enquiries should be directed to the above person.

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Contributors:				
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Clarissa Evans	Commercial team manager	Finance & Legal	12/11/2012	20/11/2012

This report is published on the Council's website:

www.coventry.gov.uk/meetings

Coventry City – Days Lost per FTE 2003 - 2012



Coventry City Council

April – September 2012	April – September 2011	Annual Target 2012/13
4.05	3.69	8.5

This demonstrates an increase of 0.36 days per FTE compared to 2011/12.

Chief Executive's Directorate

April – September 2012	April – September 2011	Annual Target 2012/13
1.05	0.66	5.0

This demonstrates an increase of 0.39 days per FTE compared to 2011/12.

City Services & Development Directorate

April – September 2012	April – September 2011	Annual Target 2012/13
5.06	3.71	8.0

This demonstrates an increase of 1.35 days per FTE compared to 2011/12.

Community Services Directorate

April – September 2012	April – September 2011	Annual Target 2012/13
5.37	5.79	11.1

This demonstrates a reduction of 0.42 days per FTE compared to 2011/12.

Children, Learning and Young People Directorate**Centrally Based Employees**

April – September 2012	April – September 2011	Annual Target 2012/13
3.70	4.27	8.75

This demonstrates a reduction of 0.57 days per FTE compared to 2011/12.

Teachers in Schools

April – September 2012	April – September 2011	Annual Target 2012/13
2.30	2.63	6.3

This demonstrates an increase of 0.33 days per FTE compared to 2011/12.

Support Staff in Schools

April – September 2012	April – September 2011	Annual Target 2012/13
4.34	3.65	9.25

This demonstrates an increase of 0.69 days per FTE compared to 2011/12.

Finance and Legal Directorate

April – September 2012	April – September 2011	Annual Target 2012/13
4.23	3.92	8.0

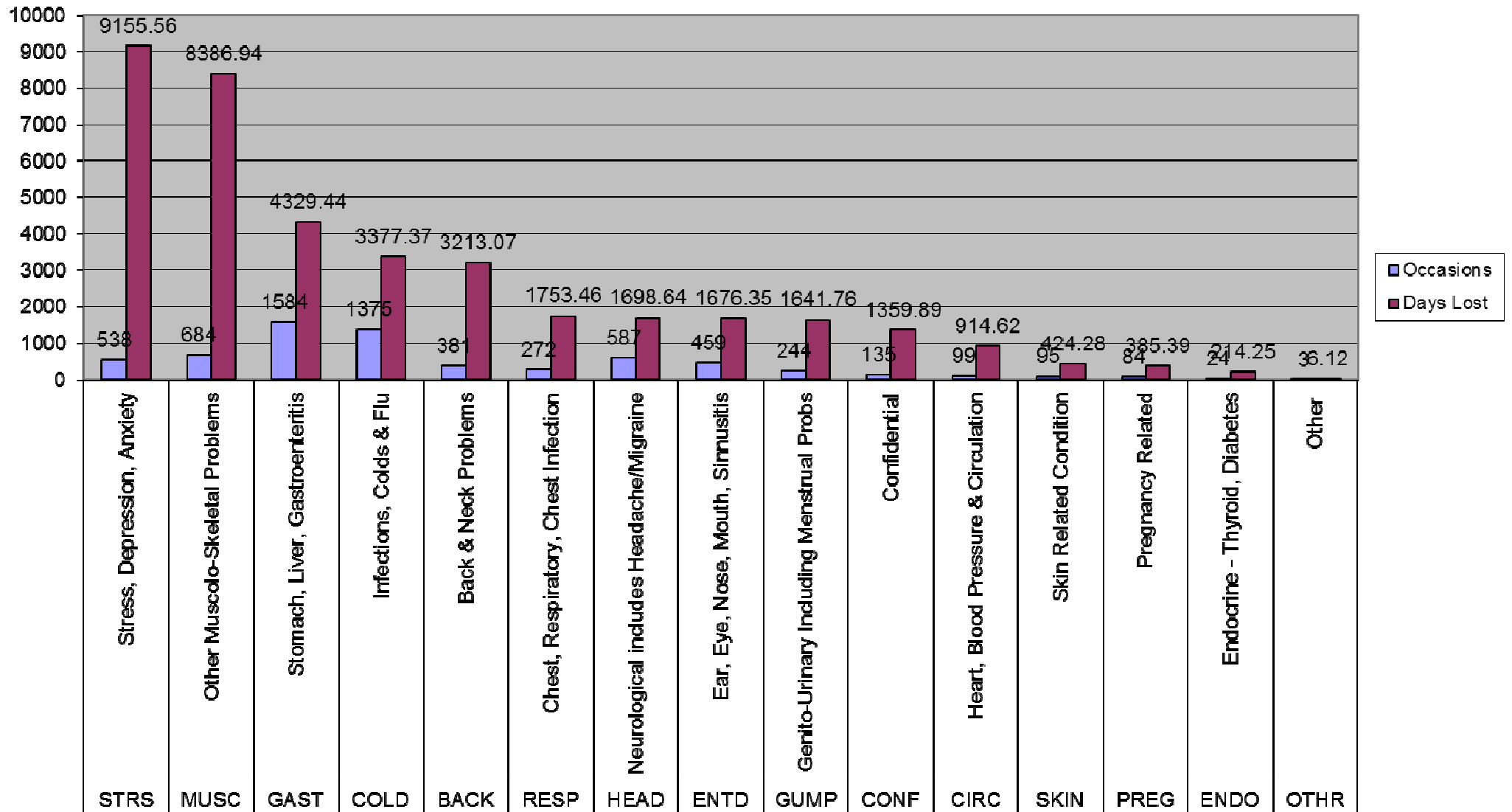
This demonstrates an increase of 0.31 days per FTE compared to 2011/12.

Customer and Workforce Services Directorate

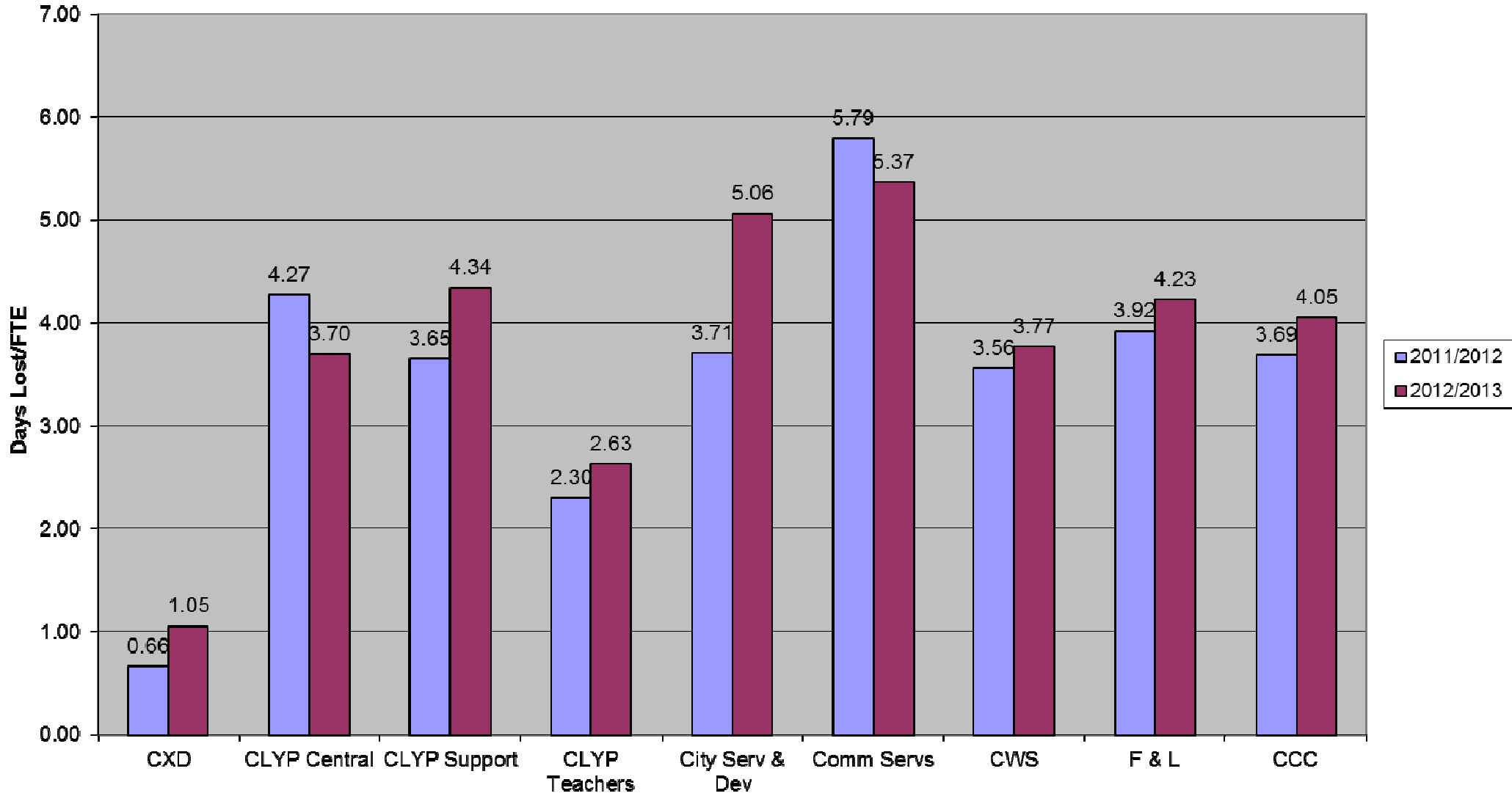
April – September 2012	April – September 2011	Annual Target 2012/13
3.77	3.56	9.1

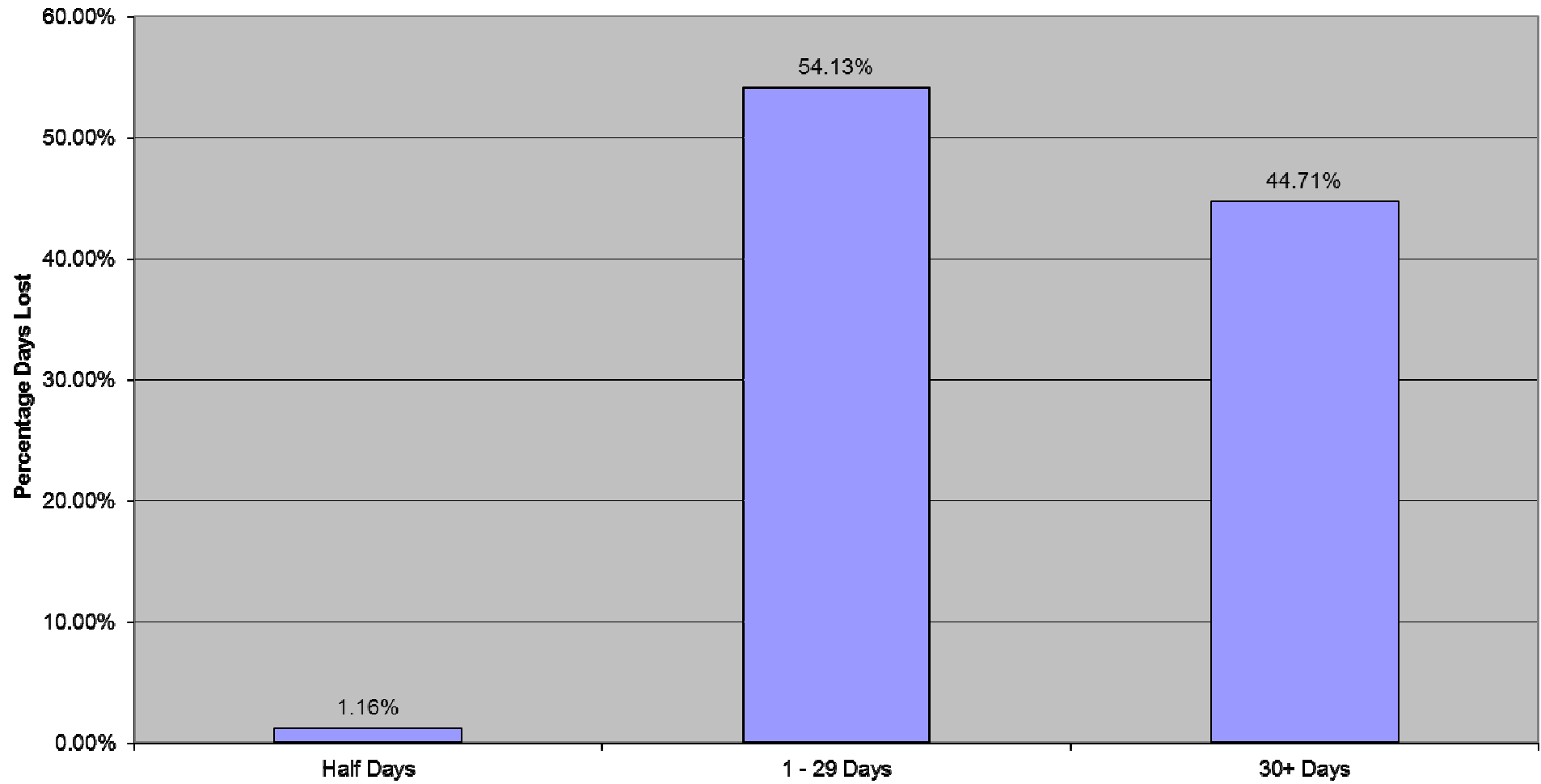
This demonstrates an increase of 0.21 days per FTE compared to 2011/12.

Reasons for Absence April – September 2012

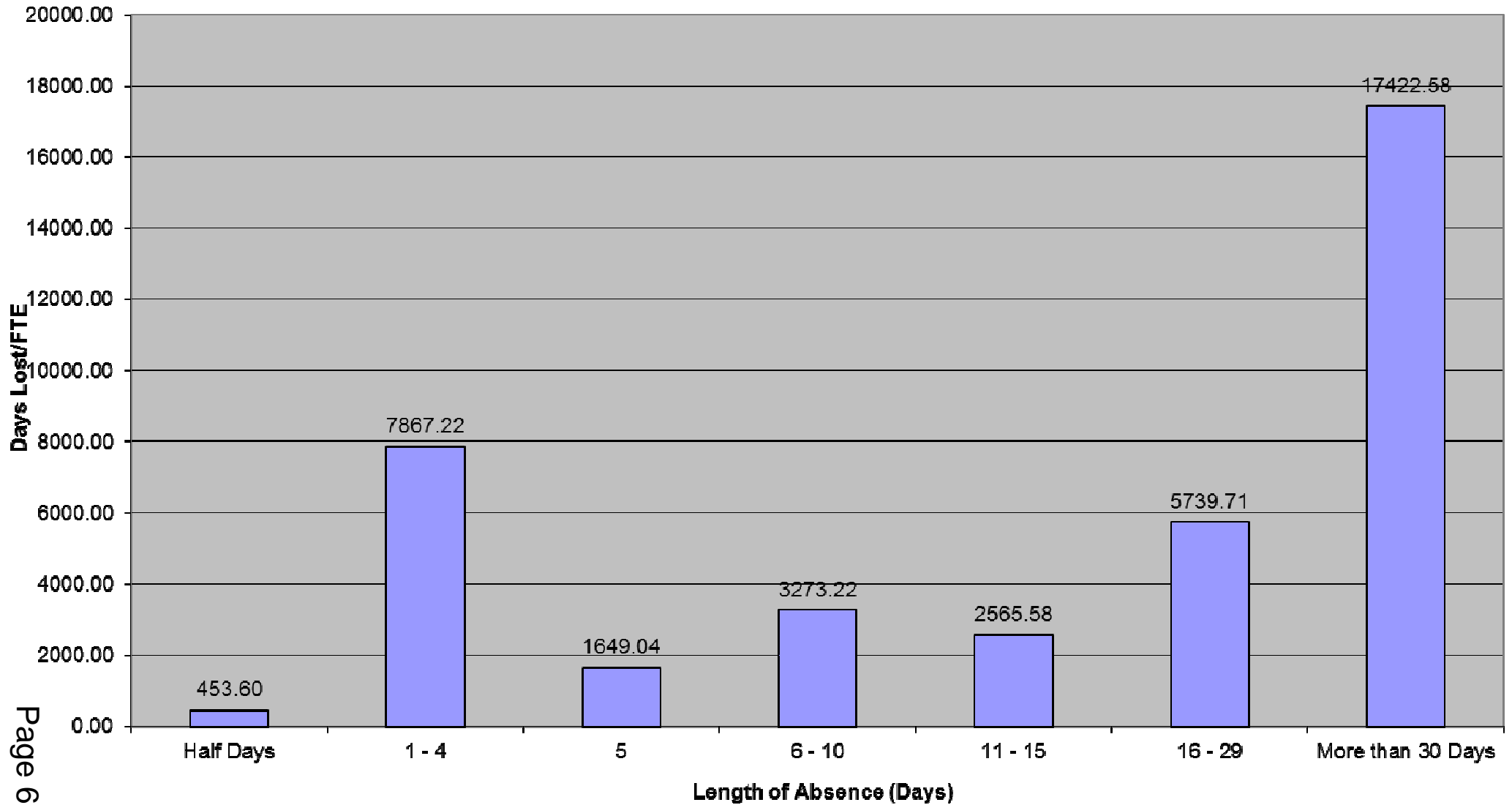


April – September 2011/2012 & 2012/2013 Days Lost per FTE





Coventry City Council Spread of Sickness (By Length of Days) April – September 2012



OCCUPATIONAL HEALTH
Promoting Health at Work Statistics
April 2012 – March 2013

Activity	April – June 2012	July - September 2012	October – December 2012	January – March 2013	Total for Year
Pre-Employment health assessments	266	324			590
<u>July to Sept 2012</u> From the pre-employment assessments 27 required additional advice and guidance to be given to the employing manager. 31 % of pre-employment forms were processed within 3 working days 97 % clearance slips were returned to the Recruitment Team/School within 3 working days					
Sickness absence health assessments and reviews	323	264			587
Work Related Ill Health Conditions reported/investigated	18	19			37
Work Place assessments carried out	6	10			16
Case conferences carried out	10	5			15
<u>July to Sept 2012</u> 99.5 % of employee ill health referral forms processed within 3 working days 62 % reports sent to HR/schools within 3 working days					
Vision screening and other surveillance procedures	94	50			144
Healthy Lifestyles screens and follow up appointments	674	599			1273
<u>July to Sept 2012</u> From the initial healthy lifestyle screens 75 were identified as having previously unidentified health problems, and required follow up appointments at the OHU and referrals to their GP.					
Self-referrals	3	2			5

The above figures do not include advice, support and guidance, telephone enquiries, health education training, developing policies, quality standards and guidance notes, etc., in support of the Managing Health at Work process

COUNSELLING SERVICE
Promoting Health at Work Statistics
April 2012 to March 2013

Activity	Apr – Jun 2012	Jul – Sep 2012	Oct – Dec 2012	Jan – Mar 2013	Total for Year
Referrals for counselling	159	104			263
Counselling sessions	632	670			1302
From the employees seen, were associated with work related stress. was related to assault and to bullying. 94% of counselling appointments were offered to employees within 3 working days of being referred All emergency cases were seen on the day of referral					
Mediation	4	2			6
This mediation helped to resolve perceived work related stress issues for an employee who was off sick.					
Anxiety Management group attendance including CBT	4	2			6
Group sessions are an effective and expedient way for employees to address debilitating anxiety states, including panic attacks.					
Numbers trained in effectively managing mental health, stress and interpersonal issues in the workplace	73	57			119
Directorates are using the available training to improve the skills of managers and other employees in effectively managing health at work.					
Stress Risk Assessments (number of employees involved)	51	54			105
Service evaluation					
Number of employees completing questionnaire	44	48			92
Counselling helped avoid time off work (not on sick leave)	27	31			58
Counselling helped early return to work (on sick leave when counselling started)	14	10			24
Did not affect sickness absence	3	7			10

The above figures do not include advice, support and guidance, telephone enquiries, health education training, developing policies, quality standards and guidance notes, etc., in support of the Managing Health at Work process

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