Appendices:1

NORTHAMPTON
BOROUGH COUNCIL

Audit committee Report

Report Title	Internal Audit report 2013/14 Absence monitoring – update November 2014.
AGENDA STATUS:	**Public**

Audit Committee Meeting Date:	3rd November 2014
Policy Document:	HR Absence
Directorate:	Borough Secretary
Accountable Cabinet Member:	Councillor Bottwood

1. Purpose

1.1   Review of the Internal Audit report produced by PwC for NBC in March 14 the document highlights Absence Monitoring issues and proposed action plans

2. Recommendations

2.1   That the report be noted..

3. Issues and Choices

3.1   **Background information:** This review was undertaken by PricewWaterhouseCoopers (PwC) as part on the 2013/14 internal audit plan. The review considered the controls and processes in place with regards to staff absence management, monitoring and reporting. Samples of short term and long term absence compliance were tested for compliance with the policy. The risk classifications resulted in 1 high, 2 medium and 2 low assessments but overall the audit rated as high.

3.2   Issues:

3.2.1   Lack of evidence on employees files, information not supplied by line Management to HR.

3.2.2   Fit notes not provided in a timely manner by employees to Line Management or the fit notes incorrectly covering the absence period.

3.2.3   Return to work meetings either not held at all or not held in a timely manner by Line Management with employees, also some meetings were insufficiently recorded and therefore ineffective.

3.2.4   Lack of Management activity to pro-actively manage repeated short term absence issues or follow up absence

3.3 Choices (Options)

3.3.1   To monitor manager's adherence to the policy, by building attendance management targets in to Supervisor/Managers Appraisal process and monthly professional supervision meetings to maintain an ongoing focus on attendance management.

3.3.2   Implementation of new attendance at work management process, as part of the wider Employment Costs project to be implemented as from 1st April 2015. This will be supported by a new attendance management policy.

3.3.3   Monthly reports are continuing to be generated from HR department and provided to Line Managers highlighting any outstanding return to work meetings which require completion.

3.3.4   Statistical information is provided to Management Board, monthly for discussion and cascade out to the wider organisation, an example of this information is attached please refer to appendix 1.

3.3.5   On line tools and training materials for absence management are available for Managers and 2 hour workshops are available for management and team leaders to attend

4. Implications (including financial implications)

4.1   Policy implications are the current Absence Policy dating from October 2010 will be replaced in April 2015 with a new absence management policy which is supportive of the changes to the sick pay scheme as part of Employment Costs.

4.2   Resources and Risk

4.2.1   The cost of employee absence from work is approximately £ 609,000 per annum, an average of days lost per employee per annum is between 10 and 11 days, civil service average is 7.6 average working days lost per year, significantly less.

4.3   Legal implications

4.3.1 The anticipated Attendance Management policy change forms part of the Employment costs project and risks associated with any dismissal and re-engagement process. Work to progress this project is already undertaken.

4.4   Equality

4.4.1   A risk assessment impact has been completed as a part of the Employment costs project and shared with Trade Unions and employees. Mitigation has been built in for minority groups such as any employees who are disabled or employees who are pregnant.

4.5   Consultees (Internal and External)

4.5.1   All employees of NBC will be affected by the Employment costs project and a full consultation activity has been carried out including completion of a formal minimum 45 day consultation period.

4.6 Other Implications

4.6.1   None applicable.

5. Background Papers

5.1   Internal Audit Report 2013/2014 Absence monitoring produced for NBC by Price Waterhouse Cooper.

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