



POLICY AND RESOURCES SCRUTINY COMMITTEE

**MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, YSTRAD MYNACH ON
TUESDAY, 12TH NOVEMBER 2019 AT 5.30 P.M.**

PRESENT:

Councillor G. Kirby – Vice Chair - Presiding

Councillors:

M. Adams, Mrs E. M. Aldworth, L. Harding, C. P. Mann, B. Miles, J. Ridgewell, Mrs M. Sargent, R. Saralis, J. Taylor, L. Whittle

Cabinet Members:

C. Gordon (Corporate Services)

Together with:

R. Edmunds (Corporate Director for Education and Corporate Services), S. Harris (Interim Head of Business Improvement Services and Acting S151 Officer), L. Donovan (Head of People Services), C. Forbes-Thompson (Scrutiny Manager), S. Hughes (Committee Services Officer)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors K. Etheridge, Mrs C. Forehead, Miss E. Forehead, G. Johnston, J. Pritchard (Chair) and Cabinet Member Mrs B. A. Jones (Interim Leader of Council)

2. DECLARATIONS OF INTEREST

During the course of the meeting Councillor C. Mann declared an interest in Agenda Item number 9. Details are minuted with the respective item.

3. MINUTES – 1ST OCTOBER 2019

RESOLVED that the minutes of the Policy and Resources Scrutiny Committee held on 1st October 2019 (minute nos. 1 – 6) be approved as a correct record and signed by the Chair.

4. CALL-IN PROCEDURE

There had been no matters referred to the Scrutiny Committee in accordance with the call-in procedure.

5. POLICY AND RESOURCES SCRUTINY COMMITTEE FORWARD WORK PROGRAMME

Cath Forbes-Thompson (Scrutiny Manager) presented the report, which outlined details of the Policy and Resources Scrutiny Committee Forward Work Programme (FWP) for the period November 2019 to April 2020, and included all reports that were identified at the Scrutiny Committee meeting on 1st October 2019.

Members considered the Forward Work Programme and agreed that Caerphilly County Borough Council's Strategic Equality Plan 2020-2024 scheduled for 14th January 2020 be moved to 25th February 2020. It was also agreed that Consultation and Engagement Framework be added to the FWP for 14th January 2020.

Subject to the foregoing amendments, it was unanimously agreed that the Policy and Resources Scrutiny Committee Forward Work Programme be published on the Council's website.

6. CABINET REPORTS

There had been no requests for any of the Cabinet reports to be brought forward for discussion at the meeting.

REPORTS OF OFFICERS

Consideration was given to the following reports.

7. SICKNESS ABSENCE WITHIN THE COUNCIL

With the agreement of the Chair and approval of the Scrutiny Committee this item was brought forward on the Agenda.

The Cabinet Member for Corporate Services presented the report which provided Members with an update of the position with regard to sickness absence within the Council. The report also provided Members with an update on the steps that have been taken and the progress made in reducing the Council's level of sickness absence over the last financial year and the actions being taken to support a continued improvement. To support this, the report provided an overview of levels of absence within the Council for the previous 2 years. Members of the Policy and Resources Scrutiny Committee were asked to note the sickness absence information contained within the report and the improvements made in 2018/19.

Members were informed that in 2018/19 the Council ranked 16th in Wales for the number of days lost per full-time equivalent (FTE) Local Authority employee due to sickness absence including schools. Performance was 11.3 days per FTE, a move up of 4 positions from 2017/18, when CCBC was 20th in Wales with 12.3 days. Both short-term and long-term sickness in the Council has improved over the last year. Sickness has decreased from 23,975 days lost in 2017/18 to 21,609 in 2018/19, a difference of 2,366 days. Long-term sickness also saw a decrease from 54,142 to 49,237 days lost between 2017/18 and 2018/19, a difference of 4,905 days.

Members were referred to tables in the report which presented the percentage absence levels for 2017/18 and 2018/19 for the Council and each Directorate and also the percentage number of employees per Directorate that have reported sick for the number of days stated for 2017/18 and 2018/19. Members noted that during both financial years almost 50% of employees did not report absent due to sickness and over 70% of employees reported absent between 0 and 5 days. Members were also referred to the table in the report which outlined the top ten reasons for absence across the Authority, as generalised categories, for the periods April 2017 to March 2018 and April 2018 to March 2019 and noted that the rank order of reasons remained fairly consistent across the 2 years.

Members were informed that sickness absence will continue to be monitored by the Corporate Management Team, HR and the Cabinet Member for Corporate Services with the aim of reducing sickness absence levels.

Members were pleased to note the reduction in sickness absence levels for 2018/19 for the Council and each Directorate. A question was raised as to whether the percentage long-term absence figures are being impacted on by early retirement due to ill health. Officers confirmed early retirement does not have a significant impact on sickness absence.

In response to a Members query, an Officer reported that the Council's Managing Sickness Absence Procedure provides a structured framework to allow Managers to effectively manage sickness absence. The purpose of the procedure is to maximise employee attendance at work, support employees in returning to work and having a clear and agreed process for managing the sickness absence of all the Council's employees. Within People Services, there is a dedicated Managing Attendance Team to support Managers to manage absence effectively and consistently across the Authority. To support the management of sickness absence, the Council has its own Occupational Health Unit, with Occupational Health Physician, Physiotherapist and Nurse expertise. The Council also provides a confidential counselling service via Care First that can be accessed by all employees. Officers clarified that it is the responsibility of every employee to make a decision as to whether or not they are fit for work; this will also depend on the setting they are working in. A Wellbeing Strategy is being developed with a view to supporting employees to be well and at work. This will include what employees can do to support their own health and attendance at work. A digital 'Health Wall' is also in the process of being developed featuring links to organisations that provide expert information and advice for a number of health related issues.

A discussion took place regarding the top ten reasons for absence across the Authority, as generalised categories, for the periods April 2017 to March 2018 and April 2018 to March 2019. In response to a Members query on the accuracy of differentiation between the highest ranking reasons for absence and work related stress, Officers clarified that the figures are based on what the employee initially reports to HR or what is recorded on a sick note. The Head of People Services agreed to circulate more detailed percentage information on the ranking, following the meeting.

Members referred to the Council's ranking in Wales for the number of days lost per full-time equivalent Local Authority employee due to sickness absence and requested percentage information across the 22 authorities. The Head of People Services agreed to circulate this information to Committee Members following the meeting. Members noted the improvement in both short-term and long-term sickness in the Council over the last year. In relation to the number of days lost per full-time equivalent Local Authority employee, Members asked what decrease in days lost would be required for the Council to be positioned within the top half of the ranking for Wales. The Head of People Services confirmed that she did not have this data at hand but would circulate this information in due course.

Members sought clarification and further details on the proactive and preventative measures that are being looked at by HR and Health and Safety to address the top reported reasons for absence. Officers explained that the Council's Wellbeing Group had been re-established to

provide focus on ways in which the Council can provide support to employees to be fit and well and attend work, including what they can do as individuals to support themselves. Officers referred to Musculo-skeletal problems and how the Physiotherapist can support employees who deal with moving and handling. A Member requested information on staffing areas and the Officer confirmed that this could be provided outside the meeting. It was noted that People Services are developing an employee reward and recognition scheme that will acknowledge employees who have not reported a sickness absence. In response to a Members query it was confirmed that Trade Unions are supportive of the steps that have been taken to reduce the levels of sickness absence. The Trade Unions are also part of the Wellbeing Group where they will have the opportunity to bring forward suggestions.

A Member drew particular attention to the report detailing the work being actioned to support the continued improvement in sickness absence levels and requested a report that details the financial implications. Officers explained that this information is difficult to capture but would ensure that percentage figures for on costs are detailed in future reports.

The Scrutiny Committee acknowledged the hard work undertaken to reduce the Council's level of sickness. In conclusion Members agreed that the improved focus on managing sickness absence appears to have been beneficial as numbers have reduced. However, as new policies and procedures are being introduced their impact on sickness absence must be monitored in order to maintain this downward trend.

Following consideration of the report, the Scrutiny Committee noted the sickness absence information contained within the report and the improvements made in 2018/19.

8. #TEAM CAERPHILLY – BETTER TOGETHER TRANSFORMATION STRATEGY – 6-MONTH UPDATE

The Interim Head of Business Improvement Services and Acting S151 Officer presented the report which updated Members of the Committee on progress under the #Team Caerphilly – Better Together Transformation Strategy which was approved by Cabinet on 12th June 2019. As agreed a six-monthly update is provided to Members for comment prior to its presentation to Cabinet. Members were asked to note the content of the report and make any comment on the progress against the strategy.

Members were informed that much of the focus during the early months has been on firming up governance arrangements and recruiting to the three fixed-term Transformation Manager posts. The #Team Caerphilly Programme Board has been established and is now meeting on a monthly basis and a new Programme Co-ordination Group has also been created to provide day-to-day oversight and to support the Programme Board. The Transformation Manager (Innovation) and the Transformation Manager (Commercial Investment) were appointed and took up their posts on the 1st October 2019 for a fixed-term period of 2 years. The Principal Officer (Workforce Development) has also recently been appointed for a fixed-term period of 2 years with a start date to be confirmed. Communication and engagement capacity has been added to the overall Transformation Team with a Senior Communications Officer seconded to support the staff, manager and community engagement strands of the strategy.

There are 26 action areas in the strategic action plan for the Transformation Programme and an update on progress was provided in Section 5.4 of the report. Members were advised that there has been some slippage in the programme, primarily due to the time taken to make the key appointments required to drive forward the programme at pace.

Members were advised that significant progress has been made in the five months since the #Team Caerphilly – Better Together was adopted by Cabinet, however, this is the start of the transformation journey for the local authority. Activity will continue under the Strategic Action Plan and Place Shaping Programmes and other work streams will be generated as work progresses. Performance measures are being developed alongside the work streams and

updates will continue to be provided to Committee and Cabinet on a 6 monthly basis.

Members noted that the report had been grouped into three main categories consisting of Governance, Appointments and the Strategic Action Plan. Members were advised of the progress under these headings and provided with further detail of the staffing appointments. The Scrutiny Committee expressed the wish for the new managers to attend a future meeting and it was agreed this would be appropriate when considering the Commercial and Investment Strategy in January 2020.

Members sought clarification and further detail on the Strategic Action Plan in respect of creating the right organisational culture, encouraging and supporting innovation and embracing new technologies. The Scrutiny Committee was assured that various methods would be utilised to engage with staff. Members were advised that the Interim Chief Executive has already held face to face meetings with groups of staff to outline the strategy and it is also intended to have a formal launch in the New Year and there would be further staff roadshows. Along with the Intranet, written documents will be provided for distribution to those who cannot access digitally. It is also intended to include detail of the strategy and the new approach as part of the induction programme for new staff. Members were also advised that all staff will be encouraged to put forward suggestions for innovation and any viable ideas will be considered by a Commercial Panel. In addition it is hoped that the opportunity to put forward ideas could be extended to residents going forward.

The Scrutiny Committee asked for examples of how CCBC will embrace new technologies and were advised that investment in Abavus and Thoughtonomy has already been made and more ideas are being generated. The aim of investing in these new platforms is to open up opportunities to generate efficiencies in processes, free up staff to undertake alternative work and to deliver savings where possible. Members asked for further detail in respect of the Commercial Approach, and were advised that the strategy is underpinned with the aim of having a social heart with a commercial head. The intent is to identify opportunities to generate income by perhaps offering services to other local authorities, members of the public where it is appropriate to do so, and in some circumstances the commercial sector. Additional income raised through commercial activities will be re-invested in services to help them remain resilient, i.e. 'Profit for Purpose'.

Members sought clarification with regard to the Community Hubs and were advised this was at a very early stage but further detail would be circulated to the Scrutiny Committee. It was commented that the report made reference to supporting a modern and sustainable transport strategy but in order to achieve this there is a need to ensure that local bus services continue to operate as they enable residents, who have no alternative, to travel to work.

The Scrutiny Committee asked how the performance of the strategy will be measured and were advised that performance measures are being developed by the Programme Co-ordination Group.

Following consideration of the report and having noted its contents it was moved and seconded that the following recommendation be referred to Cabinet for approval. By a show of hands, this was unanimously agreed.

RECOMMENDED to Cabinet:-

- (i) That Members note the comments of the Scrutiny Committee and the content of the report and make any comment on the progress against the strategy.

9. TREASURY MANAGEMENT & CAPITAL FINANCING PRUDENTIAL INDICATORS QUARTER 1 AND QUARTER 2 MONITORING REPORT (1ST APRIL 2019 TO 30TH SEPTEMBER 2019)

Councillor C. Mann declared a personal interest only in this item, in that he has savings in Principality Building Society. As such there was no requirement for him to leave the meeting and he could take full part in the debate.

The Interim Head of Business Improvement Services and Acting S151 Officer presented the report which provided Members with details of Treasury Management activities and Capital Financing, together with the related Prudential Indicators for the period 1st April 2019 to 20th September 2019. The report also reviewed the Treasury Management Strategy for 2019/20 as set out in the Annual Investment Strategy and Capital Financing Prudential Indicators Report. The Scrutiny Committee was asked to note the content of the report.

Members were advised that in accordance with legislative requirements, Welsh Government guidance and Codes of Practice, the Council is required to approve a Treasury Management Strategy on an annual basis. The current Strategy was approved by Council on the 21st February 2019 and in summary this set out details of interest rate prospects in both the short-term and longer-term; the borrowing strategy to fund the General Fund and Housing Revenue Account capital programmes; details of the Annual Investment Strategy; the Minimum Revenue Provision policy; and the associated prudential indicators for the three financial years 2019/20 to 2021/22.

Officers outlined a number of headings in the report for Members attention. Members were advised that the current policy of internal borrowing is not sustainable in the long-term, but where prudent the policy of internal borrowing would be utilised. It was noted that a £23m 20 year PWLB loan was raised to fund the WHQS capital programme. There have been no opportunities for debt rescheduling during the period covered by the report. The total investments held as at 30th September 2019 was £111.6m, and had an average rate of return equating to 1.03% which is a significant improvement over placing deposits with the Debt Management Office (DMO) who continue to pay a rate of 0.50%. The Authority is currently operating within the Prudential Indicators approved by Council in February 2019.

During the course of debate, a Member raised a number of queries in relation to the borrowing activity and the use of reserves. Officers reminded Members that a commitment was given to review reserve balances again as part of the process of preparing the annual Use of Reserves report which is scheduled on the Policy and Resources Forward Work Programme for the 14th January 2020.

Reference was made to the portfolio of investments held as at 30th September 2019 and during the course of the ensuing debate the requirement for Members to declare an interest with regards to their personal investments was discussed. In response to a request for a list of organisations the Council is investing in, Officers will liaise with Treasury Management to compile a list for a future discussion. Members questioned the impact Brexit will have on investments and were advised that Treasury Management was keeping this under review and mitigating any potential risks. A Brexit Working Group is monitoring the position and we are also taking advice from our Treasury Management Advisors.

Members were informed that the Treasury Management Strategy report for the next financial year is due to come to Scrutiny Committee early next year.

Following consideration of the report, the Scrutiny Committee noted the content.

The meeting closed at 6.45 p.m.

Approved as a correct record and subject to any amendments or corrections agreed and recorded in the minutes of the meeting held on 14th January 2020, they were signed by the Chair.

CHAIR