

Audit & Governance Committee
28 September 2015

Absence Management

SUMMARY AND PURPOSE:

The purpose of this report is to provide an update for Members on progress in implementing the Internal Audit recommendations made following a review of Absence Management conducted in February 2015.

RECOMMENDATIONS:

The Committee is asked to note the findings of the recent follow-up Internal Audit review of Absence Management as set out in this report and annex.

BACKGROUND:

- 1 The Completed Audit Reports item presented to Audit and Governance Committee on 9th April 2015 included details of an Internal Audit review of Absence Management which attracted an audit opinion of Some Improvement Needed.
- 2 At the meeting the Chairman requested that a progress report be brought to this Committee in due course because of general public concern about sickness absence in the public sector. Members asked that this report should also include information on absence rates in different departments.

ABSENCE MANAGEMENT FOLLOW-UP AUDIT:

- 3 The full Internal Audit report and associated agreed Management Action Plan are attached at Annex A.
- 4 In summary the auditor concludes that since the last Internal Audit review HR Management has taken positive action to address previous audit recommendations and encourage proactive absence management across all service areas. Workforce reports suggest the twelve month rolling average days lost per full time equivalent (FTE) has reduced from 6.76 in July 2014 to 5.99 in July 2015 with all areas of the organisation showing some degree of reduction as shown in the table below:

Sickness Absence Days Lost Per FTE	July 2014	July 2015
Adult Social Care	8.27	8.26
Business Services	4.67	4.49
Customers & Communities	9.82	7.83
Chief Executive's Office	4.38	2.80
Children's Schools and Families	6.11	5.90
Environment & Infrastructure	3.99	3.24
SCC wide	6.76	5.99

5 The top three reasons for sickness absence across the council were identified as:

Joints	(18.9%)
Stress	(17.2%)
Flu/Cold	(10.2%)

More detailed information on reasons for sickness absence can be found at Annex B.

6 The audit review highlighted some issues regarding data integrity which have resulted in both over and under statement of absence in some areas. While these issues do not materially affect the high level figures reported, they should be addressed to ensure accuracy of management information at service level. The auditor included one High Priority Internal Audit recommendation aimed at correcting the data integrity issue identified, and the overall audit opinion was **Some Improvement Needed**.

IMPLICATIONS:

- 7 Financial Equalities
Risk management and value for money
- 8 There are no direct implications (relating to finance, equalities, risk management or value for money) arising from this report. Any such matters highlighted as part of the audit work referred to in this report, would be progressed through the agreed Internal Audit Reporting and Escalation Policy

WHAT HAPPENS NEXT:

- 9 See Recommendations above.

REPORT AUTHOR: Sue Lewry-Jones, Chief Internal Auditor, Policy and Performance

CONTACT DETAILS: telephone: 020 8541 9190 e-mail sue.lewry-jones@surreycc.gov.uk,