

PERFORMANCE PORTFOLIO DECISION RECORD

13 JULY 2011

The meeting commenced at 3.00 p.m. in the Civic Centre, Hartlepool

Present:

Councillor Jonathan Brash (Performance Portfolio Holder)

Also in attendance Councillor Simmons

Officers: Joanne Machers, Chief Customer and Workforce Services Officer
Stuart Langston, Health, Safety and Wellbeing Manager
Amanda Whitaker, Democratic Services Team

5. Employee Sickness Absence Annual Report 2010/11 (Chief Customer and Workforce Services Officer)

Type of decision

Non-key.

Purpose of report

To update the portfolio holder on the Council's performance in 2010/11 in relation to employee sickness absence and to seek endorsement of actions proposed to achieve future targets.

Issue(s) for consideration by Portfolio Holder

The Chief Customer and Workforce Services Officer reported that the target figure for 2010/11 for the Council was 9.30 days absence per wte (whole time equivalent) employee. The end of year figure showed an improved figure of 9.11 days per wte per employee per annum which was a continued reduction in levels of sickness absence rates for the fourth consecutive year. It was recognised however that rates could be reduced further. Breakdowns were given by department and details of a number of actions planned to achieve targets were outlined.

The Portfolio Holder noted the following amendments to the figures included in the report (with the original figures in brackets):-

Department	2010/11 Target (days)	2010/11 Actual	2011/12 Proposed Target
Chief Executive's	8.00	7.47 (8.86)	7.00

	(8.70)		
Child & Adult Services	10.50	10.22 (9.68)	9.80 (10.0)
Regeneration & Neighbourhoods	10.00 (8.50)	10.42 (11.04)	10.00
Schools	9.00	8.08	8.00
Overall Council	9.30	9.11	8.80 (8.90)
Average for All Authorities (LGA survey 2009)	9.20		

The Chief Customer and Workforce Services Officer apologised for the errors included in the report, provided the Portfolio Holder with the background to the errors and gave an assurance that improved quality control arrangements would be put in place to ensure accuracy of future statistics. The Portfolio Holder advised that much greater care must be taken in future before reports are published as the Council has a duty to both the public and its own staff to be accurate when publishing figures.

The Portfolio Holder acknowledged comments made by Councillor Simmons in relation to the need for challenging targets and the merits of managers conducting return to work interviews and stated that such issues should be incorporated into a future review of absence policy.

In terms of the overall target of the Council, the levels of sickness absence were applauded although further details were sought in respect of the levels of sickness in the Regeneration and Neighbourhoods Department. An explanation was provided by the Chief Customer and Workforce Services Officer which highlighted the joint work of the Department's Management Team and the Human Resources Division. It was noted also that managers had been provided with a tool kit to deal with short term absences. The Portfolio Holder raised a number of issues including a comparison with the levels of sickness absence in other Tees Valley Authorities and the need to review the Council's policies to ensure that there was a year on year reduction in sickness levels.

The Portfolio Holder stated that although he paid tribute to staff for the continued reduction in absenteeism there could be no complacency on this issue and that even greater efforts must be made to ensure that the Council continued to improve and does not fall behind other Local Authorities. Details of how this will be achieved would be brought to a future meeting.

Decision

- (i) The employee absence information was noted
- (ii) The future targets and proposed actions for 2011/12 were endorsed subject to the proposed target for Regeneration and Neighbourhoods Department being changed to 9.9 days to highlight the expectation that sickness levels in the department will continue to be reduced.
- (iii) That Heads of Department or their substitutes attend future Portfolio meetings when reports dealing with employee sickness absence are being considered.
- (iv) That a report be brought to the Portfolio Holder's meeting, by September, setting out in more detail proposals for ensuring sickness absence continues to reduce.

6. **Occupational Health Services** (*Chief Customer and Workforce Services Officer*)

Type of decision

Non-key.

Purpose of report

To inform the Portfolio Holder of the intention to procure a provider of occupational health services and seek approval to letting the contract on a price/performance basis.

Issue(s) for consideration by Portfolio Holder

The report set out details relating to the intention to procure a provider of occupational health services and to undertake the procurement exercise leading to letting the contract on a price/performance basis of 60% quality and 40% price. It was reported that the Council currently utilised the services of an external occupational health service provider, Connaught Compliance Ltd. This company, formerly known as National Britannia, became the council's provider after a full tendering exercise undertaken in 2008. Following this exercise a three year contract was agreed, with the potential to extend for two periods of twelve months. The contract was signed in 2009. Following the financial difficulties of the parent group, Connaught was placed into administration and Connaught Compliance Ltd changed its name to Santia.

The council had now received formal correspondence from the company indicating that Connaught Compliance Ltd. had ceased trading and requesting that the council novate the contract to a new company Santia Consulting Ltd who now have the business and all of the assets relevant to Hartlepool Borough Council's contact with Connaught Compliance Ltd. The Council had obtained legal advice which indicated that such a novation may not be lawful as other parties had not had the opportunity to bid for the work through an open competition or object to the proposal. In order to meet its legal obligations it was proposed that the contract be subject to open competition through a tender process, will operate for three years with the potential, subject to satisfactory performance, for an extension of a further two twelve month periods.

Discussion had been held with other authorities within the Tees Valley area. However, those Authorities had undertaken their own procurement exercise for their providers and it had not been possible to undertake a joint procurement exercise.

It was noted from the legal advice that the Council had received which was reiterated at the meeting in terms of application of general contract law principles that should the council novate the contract to Santia Consulting Ltd this could be subject to legal challenge. However it was understood that the courts could be sympathetic to the situation that the council had been placed regarding the contract. Consequently it was proposed that the council continue with the agreement with Santia Consulting Ltd until 31st December 2011 as this would allow the council to test the market via a tendering exercise and thereby fulfil its legal procurement responsibilities. As there was a current provider the provisions of the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) could apply.

The report included detailed proposals in respect of the tender exercise together with considerations relating to risk implications and financial considerations.

The Portfolio Holder highlighted that he had been contacted by a Councillor James who had enquired in relation to partnering with the private sector. The Portfolio Holder was provided with feedback on the specific examples which had been highlighted. In response the Portfolio Holder advised that he would like to see this option considered as part of the tender exercise.

Decision

The Portfolio Holder noted the report and approved the procurement exercise on the basis of 60% quality and 40% price, subject to the possibility of a partnership arrangement with the private sector being considered as part of the tender exercise.

7. Local Government (Access to Information) (Variation) Order 2006

Under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in the paragraphs below of Part 1 of Schedule 12A of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006.

Minute 8 - Approval for Compulsory Redundancy - This item contained exempt information under Schedule 12A Local Government Act 1972, namely, information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and

employees of, or office holders under, the authority (paragraph 4).

- 8. Approval for Compulsory Redundancy** (*Chief Customer and Workforce Services Officer*) This item contained exempt information under Schedule 12A Local Government Act 1972, namely information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority (paragraph 4).

Type of decision

Non-Key

Purpose of report

To consider the future employment of an employee in Child and Adult Services who is affected by funding reductions within the Performance and Achievement Division.

Issue(s) for consideration by Portfolio Holder

The report set out the redundancy process which had been followed and the impact on a specific post and post holder.

Decision

The decision is set out in the exempt section of the decision record.

The meeting concluded at 3.50 p.m.

P J DEVLIN

CHIEF SOLICITOR

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