

# DURHAM COUNTY COUNCIL

## OVERVIEW AND SCRUTINY COMMITTEE

**At a Meeting** of the **Scrutiny Sub-Committee for Corporate Management Issues** held at the County Hall, Durham on **Monday 27 November 2006** at **10.00 a.m.**

### **Present:**

**Councillor K Henderson** in the Chair.

### **Members of the Sub-Committee:**

Councillors Bowman, Carroll, Forster, Holroyd, Nicholls, Stradling, Tennant and Wade.

### **Other Members:**

Councillors Chaplow, Chapman, Cordon, Cox, Gray, Mason, Meir and Wright.

### **Labour Party Representative:**

Mr B Scott

Apologies for absence were received from Councillors Graham and Porter.

### **A1 Minutes**

The Minutes of the meeting held on 29 August 2006 were confirmed as a correct record and signed by the Chairman.

## **A2 Declarations of Interest**

There were no declarations of interest.

## **A3 Effective Corporate Leadership - Quarter 2 Performance 2006/07**

The Sub-Committee considered a report of the Head of Corporate Policy providing a performance update for quarter 2 2006/07 for the Authority's corporate priorities and the Best Value Performance Indicators relevant to the Corporate Aim, Ensuring Effective Corporate Leadership (for copy see file of Minutes).

In relation to priority for Improvement 4 - Improving Health, Reduction in County Council Sickness, Members were informed that 136,975 days were lost due to sickness in the 12 months ending 30 September 2006. Performance had deteriorated slightly compared with the first quarter 2006/07 and remains worse than target.

It was highlighted that there are a number of initiatives in place which have the potential to positively impact on the performance to date.

Councillor Cordon commented that sickness absence had been discussed at length, yet the level continues to increase, this is a serious issue which results in a large cost for the Authority, is this issue being tackled in a pro-active manner.

The Head of Overview and Scrutiny, Feisal Jassat, commented that the issue of sickness absence had been discussed at a recent Budget Briefing meeting where Members had requested that the Head of Human Resources and the Chairman of the Human Resources Committee be invited to a future Overview and Scrutiny Committee to explain what strategies/initiatives are currently being used by the Authority to tackle this issue.

Councillor Wade queried as to whether self-notification of sickness absence was included in the figures.

It was confirmed that self-notification of sickness absence is included in the figures quoted, however it was highlighted that a more detailed breakdown of the information is provided for meetings of the Human Resources Committee.

With reference to the introduction of a Stress Management Strategy, Councillor Mrs Wright questioned as to whether the Authority had carried out a Stress Audit.

It was suggested that this could be pursued further at a future meeting of Overview and Scrutiny Committee where the Head of Human Resources and the Chairman of the Human Resources Committee would be present.

Councillor Stradling continued that sickness absence is an important issue for the Authority and that there is a need to confirm how many of the recommendations from the Scrutiny Sickness Absence Working Group have been implemented with an update report prepared for a future meeting detailing the progress made in relation to the recommendations.

Members raised the issue of the current practice of self-certification for the first week of absence and suggested that this needs to be investigated further. In addition it was requested that the information provided in relation to sickness absence should be separated to show self-certification of sickness absence and those certified by the Doctor.

It was highlighted that the following areas have improved in performance:

- BV 11a - top 5% women
- BV 11b - top 5% black/minority ethnic
- BV 11c - top 5% with the disability
- BV 15 - Ill-health retirements
- BV 16a - Disabled employees
- BV 156 - % LA Buildings - adapted

The Head of Overview and Scrutiny suggested that the Head of Human Resources and the Chairman of the Human Resources Committee be invited to a future meeting of Overview and Scrutiny to allow the opportunity to review progress made to date in relation to the recommendation of the Scrutiny Sickness Absence Working Group and to explain the existing strategies/initiatives being used to impact positively on the performance of the Authority.

**Resolved:**

That the report be noted and arrangements made for the Head of Human Resources and the Chairman of the Human Resources Committee to attend a future Overview and Scrutiny Committee meeting to inform Members of progress made in relation to the recommendations of the Scrutiny Sickness Absence Working Group and to explain the existing strategies/initiatives that are being used to impact on performance.

**A4 Corporate Risk Management - Report of the Quarter Period July - September 2006**

The Sub-Committee considered a covering report of the Deputy Chief Executive on behalf of the Corporate Risk Management Group together with the Corporate Risk Management report for the Quarter period July - September 2006 (for copies of reports see file of Minutes).

The report provides an update on the work carried out by the Corporate Risk Manager and the Corporate Risk Management Group during the quarter period July - September 2006 and highlights the current status of risk across the Council.

The report is broken down into a summary, focusing on the current major risks to the Council and external changes on the horizon which may lead to potential new risks.

The Members were then referred to a presentation outlining three fundamental steps to risk management together with an example of how risk management is used (for copy of presentation see file of Minutes).

The emerging risks and changes to major risks in the quarter were highlighted. In relation to the possibility of a collapse of a lighting column, clarification was sought as to whether the Authority uses metal or fibreglass columns. It was confirmed that the collapse of a lighting column is a potential risk however clarification would be sought from the appropriate department as to whether fibreglass or metal columns are used.

In relation to lighting columns and the possibility of a collapse, it was queried as to why it had not been suggested that an internal review group be established to look at this risk.

It was confirmed that in relation to the proposed future treatment to mitigate the risk, each department decides how it will handle/deal with the identified risk.

With reference to risk, clarification was sought as to whether the level of risk was based on the potential cost.

It was confirmed that reputational risk is also taken into account, the level of risk is not purely based on financial considerations.

Clarification was sought as to what would happen if the Chief Officer disregards the risk advice. In addition the issue of how a risk is determined was raised.

The Sub-Committee was informed that risks are identified and an independent assessment undertaken, the department then decides how they will manage the identified risk.

In relation to risk, clarification was sought as to what happens if the level of risk is not brought down to an acceptable level.

It was confirmed that the risks are monitored on a monthly basis to identify progress made to reduce the level of risk. The top 15 risks to the Authority are identified (these risks have both a high impact and are considered at least possible to occur) they are then the responsibility of the appropriate Chief Officer to manage, the risk management is delegated to the Chief Officer.

It was suggested than an additional column be placed in the table showing the information indicating progress made to date to reduce the level of risk.

It was suggested that the 15 net risks to the Authority should be reported to the appropriate Scrutiny Sub-Committees on a regular basis, highlighting any budgetary implications.

In addition it was also confirmed that portfolio members and Chief Officers agree/determine those risks which are classified as net risks.

With reference to Net Risk 1, collapse of lighting column, clarification was sought as to how many within the County are in danger of collapse.

Members were informed that the assessment is based on impact and probability, the Department has identified this as potentially capable of happening.

With reference to the presentation and the example of how risk management can be applied in relation to increasing fuel and energy costs, there was no reference made to looking at alternative forms of energy i.e. wind turbines, invest to save initiatives.

The Sub-Committee was informed that the Internal Review Team would be looking at alternative sources of energy and how climate change will impact on service delivery.

**Resolved:**

1. That the report be noted.
2. That the Net Risks to the Authority be reported to the appropriate Sub-Committees of Overview and Scrutiny on a regular basis.
3. That an additional column be included in the table identifying the progress made in relation to the level of risk.
4. That Chief Officers and Cabinet Portfolio holders be invited to future Sub-Committee meetings where risks to the Authority are to be discussed.
5. All necessary information used in assessing a risk, be made available at the meetings of the Sub-Committees for use by Members.
6. That Councillors Henderson and Forster attend a meeting of the Internal Review Group looking at the financial implications of increasing fuel and energy costs.