

Durham County Council

Human Resources Committee

At a meeting of the **Human Resources Committee** held at the County Hall in Durham on **Friday 13 June 2008** at **10 am**.

Present:

Councillor J Brown in the Chair

Members of the Committee:

Councillors: A Bell, J Blakey, D Boyes, D Brown, M Campbell, P Charlton, R Crooks, J Docherty, B Harrison, N Harrison, A Hopgood, G Huntington, N Martin, E Mavin, D Myers, J Nicholson, B Ord, E Paylor, M Plews, M Potts, A Savory, W Stelling, B Stephens, G Tennant, K Thompson, E Tomlinson, Andrew Turner, A Willis and A Wright.

Other Members:

Councillors: B Arthur, B Avery, A Bainbridge, B Bainbridge, D Barnett, D Bowman, C Carr, J Gray, S Hugill, J Hunter, R Ord, C Potts, R Rodgers, M Simmons, L Thomson and R Young.

Apologies were received from Councillors J Armstrong, B Brunskill, J Chaplow, S Iveson, M Nicholls and J Robinson.

A1 Minutes of the Meeting held on 14 March 2008

The Minutes of the Meeting held on 14 March 2008 were confirmed by the Committee as a correct record and signed by the Chairman.

A2 Sickness Absence: Quarterly Performance Monitoring

The Committee considered a report of the Head of Human Resources detailing the performance of the Council and individual services on sickness absence during the quarter 1 January 2008 – 31 March 2008 (for copy see file of Minutes).

The Head of Human Resources informed Members that during the quarter to 31 March 2008, sickness absence levels had shown an increase on the previous quarter to 2.63 days lost per full time equivalent (FTE) County Council employee, from 2.47 days in December 2007. The DCC BV12 figure for the twelve months to 31.03.2008 was 9.35 days per FTE which compares favourably with the formal 2007 total of 9.84 days and the 2008 target of 9.75 days.

The Head of Human Resources commented that there is potential for further improvement of data recording processes and fuller utilisation of the Resource Link Monitoring System. Targets have been set for the next three years which will take into account the Local Government Review process and its potential implications for sickness absence rates, including the future combined rate of the eight District Councils.

The Head of Human Resources informed Members that difficulties remain in collating data consistently from all Services and specifically in relation to the background data relating to causes of absence. Services have been reminded that the monitoring and recording of sickness absence is a high priority. Members may wish for representatives from individual Services to be invited to attend Human Resources Committee meetings in the future, in order to provide background information regarding their sickness absence figures.

A Member of the Committee asked whether a figure was available for the overall value on the reduction of sickness absence by one day. The Head of Human Resources replied that this had been investigated; however, real costs are difficult to quantify due to circumstances such as the back-filling of posts.

A Member of the Committee referred to the Confederation of British Industry's annual absence survey which states that sickness absence in the public sector remains static at 9 days, this figure being significantly higher than the average private sector figure of 5.8 days. The Member of the Committee asked whether there are any plans to consult private industry in order to identify the reasons for the difference in sickness absence levels. The Head of Human Resources replied that several factors should be considered when making comparisons, for example, national, local and cultural issues, and the ability of private industry to terminate pay. It is hoped that the Audit Commission's Report will establish the background to sickness absence levels, identifying areas for improvement and examining the approaches which lead to a reduction in sickness absence levels.

A Member of the Committee referred to Appendix 2 and was of the view that "Up to 20 days" did not constitute short-term sickness absence. The Head of Human Resources advised that, in previous years, the Audit Commission had dictated this level, however it is now within the Local Authority's remit to decide and this level will be reconsidered.

Resolved:

That the report be noted subject to consideration being given to reviewing the level for short-term sickness absence, for the purposes of future reports to the Committee.

A3 New-look Local Government Pension Scheme – Employing Authority Discretions

The Committee considered a Report of the County Treasurer, Acting Director of Corporate Services and Head of Human Resources to request Members' agreement to the operation of a number of discretions the Council has as an

Employing Authority under the New-look Local Government Pension Scheme (for copy see file of Minutes).

The Head of Pensions informed Members that the New-look Local Government Pension Scheme is governed by three main sets of regulations. Employers have a range of decisions to make regarding discretions available under the regulations governing the New-look Scheme. Policies on a number of these discretions should be made by 30 June 2008, however, for most discretions, there is no specific requirement to have a policy in place. Appendix A of the report lists the proposed policy decisions on employer discretions under the regulations governing the New-look Local Government Pension Scheme. Most of the areas employing authorities have discretion over in the new regulations mirror those under the old regulations.

A Member of the Committee asked whether there would be extra costs to the Pension Fund due to Local Government Review redundancies. The Head of Pensions replied that reports to the Early Retirement Sub-Committee must show that savings will be made in order to effect redundancy.

A Member of the Committee referred to future meetings of the Early Retirement Sub-Committee, asking if Member representatives had been appointed and dates for future meetings set. The Chair of the Committee replied that the membership of the Early Retirement Sub-Committee is being finalised and dates for future meetings will be set as soon as possible.

A Member of the Committee expressed concern regarding the Pension Fund and the turbulence in the Stock Market. The Head of Pensions replied that the Local Authority pays a lump sum into the scheme to cover costs to the Pension Fund. The Pension Fund Committee closely monitored the Pension Fund's investment strategy and performance and had recently undertaken an investment review, appointing six new Investment Managers, each with specific mandates.

In response to a query from a Member of the Committee asking for clarification on the amount that the Local Authority contributes to the Pension Fund for each employee, The Head of Pensions confirmed the figure is 18.9%.

A Member of the Committee asked if a figure is available for the number of individuals who are granted added years. The Head of Pensions replied that a report including this information is brought before the Early Retirement Sub-Committee on an annual basis.

The Head of Human Resources informed Members that Human Resources training will be provided as soon as possible.

Resolved:

That the Report be approved.