



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Audit Services Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 17, 2018
SUBJECT/REPORT NO:	Follow Up to Audit Report 2014-08 Human Resources – Absenteeism (AUD18005) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Charles Brown CPA, CA, CPA (Illinois) 905-546-2424 x4469
SUBMITTED BY:	Charles Brown CPA, CA, CPA (Illinois) Director, Audit Services City Manager's Office
SIGNATURE:	

RECOMMENDATION

That Report AUD18005, respecting the follow up of Audit Report 2014-08, Human Resources – Absenteeism, be received.

EXECUTIVE SUMMARY

Audit Services 2014-08 was originally issued in May 2015 and management action plans with timelines were included in the Report. In September 2017, Audit Services conducted a follow up exercise to determine if appropriate and timely actions had been taken, with some additional work conducted in February 2018. Of the 33 recommendations made in the original Report, seven have been completed or have a suitable alternative implemented, four are no longer applicable, three are in progress, 16 are initiated or have alternatives initiated, and three are not completed. Details of the implementation specific to each recommendation are included in appendix "A" to Report AUD18005.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS (for recommendation(s) only)

Financial: The implementation of the recommendations may produce some savings if a fair and more consistent approach to managing absenteeism results in a reduction in absenteeism and related costs. However, an amount cannot be reasonably estimated at this time.

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

HISTORICAL BACKGROUND (Chronology of events)

Audit Report 2014-08, Human Resources – Absenteeism, was originally issued in May 2015. The audit focused on short term absenteeism in all City departments excluding Hamilton Public Library and Hamilton Police Services. The audit assessed whether short term absenteeism is monitored and managed effectively. Also evaluated were the utilization of the Attendance Support Program (ASP) and the adequacy of training provided to management so as to manage absenteeism. The Report provided 33 recommendations to address these issues.

It is normal practice for Audit Services to conduct follow up reviews within 12-18 months following the issuance of the original Report in order to determine whether the action plans committed to by department management have been implemented. This follow up was delayed as a result of staffing vacancies and the planned introduction of the new Attendance Management Program by Human Resources.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The new Attendance Management Program being implemented is expected to replace the existing Attendance Support program. Therefore, all of the policies associated with the Attendance Support Program will be replaced by new ones.

New provincial legislation (Bill 148, Better Workplaces, Fair Jobs Act 2017) that came into effect November 2017, means that all staff are now entitled to two paid Emergency Leave days per year, as well as up to eight unpaid days per year. The new Attendance Management Program is expected to track absenteeism resulting from this legislation as well.

RELEVANT CONSULTATION

The results of the follow up were provided to Human Resources management responsible for the monitoring and reporting of absences.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The report attached as Appendix “A” to Report AUD18005 contains the original report, Audit Report 2014-08, along with comments indicating Audit Services’ findings as a result of the follow up work that was performed.

There were 33 recommendations. Seven recommendations were “Completed” or had a suitable “Alternative Implemented”, four were “No Longer Applicable”, three were “In Progress”, 16 were “Initiated” or had a suitable “Alternative Initiated” and three were “Not Completed”.

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The large number of “Alternative Initiated” is due to the implementation of the new Attendance Management Program and its replacing the Attendance Support Program. Appendix “A” to Report AUD18005 contains the details of the implementation for each recommendation.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report AUD18005.