

SCRUTINY

17 AUGUST 2020

ESTABLISHMENT UPDATE

Cabinet Member(s): Cllr Nikki Woollatt, Cabinet Member for Working Environment and Support Services

Responsible Officer: Matthew Page, Group HR Manager

Reason for Report: Scrutiny requested a follow up to the presentation of the establishment report in February 2020 on both the performance of the workforce but also how this had been affected by the COVID-19 pandemic.

RECOMMENDATION: The Committee is asked to note the information below

Financial Implications: Financial risk will only occur where the structure of a service changes without adherence to allocated budgets.

Legal Implications: In accordance with article 14 of the Constitution.

Risk Assessment: If the establishment is not appropriately managed and reviewed then service delivery will be put at risk.

Equality Impact Assessment: No equality issues highlighted in this report.

Relationship to Corporate Plan: This report highlights the Establishment figures and, as such, supports our aim to reduce costs without affecting service quality and continuity.

Impact on Climate Change: No climate change issues highlighted in this report.

1.0 Introduction/Background

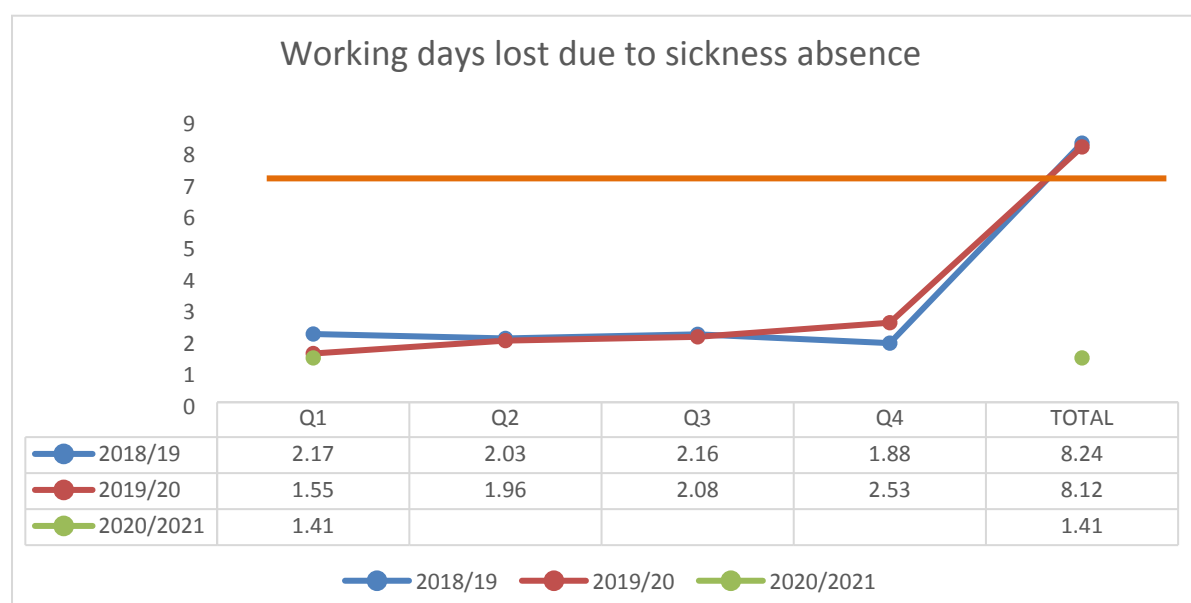
- 1.1 The purpose of this report is to give an update on the performance of our workforce and how this has been affected by the COVID-19 pandemic.
- 1.2 These items included updates on the key establishment indicators of sickness and agency expenditure, turnover and the impact of COVID-19 on our workforce.

2.0 Sickness Absence, Agency Expenditure and Establishment

- 2.1 Last year MDDC had an average of 8.12 sickness days per FTE person, 3.04% of overall workforce time. This compares to 8.24 sickness days that were lost per FTE employee in 18/19. For the 20/21 financial year there is both a target and subsequent action plan to reduce the number of days lost to less than 7 days per FTE employee (which would put the Council in line with industry standards across other councils).
- 2.2 A new sickness absence policy has been introduced to clarify the reporting and certifying arrangements for sickness, a new management guideline (an

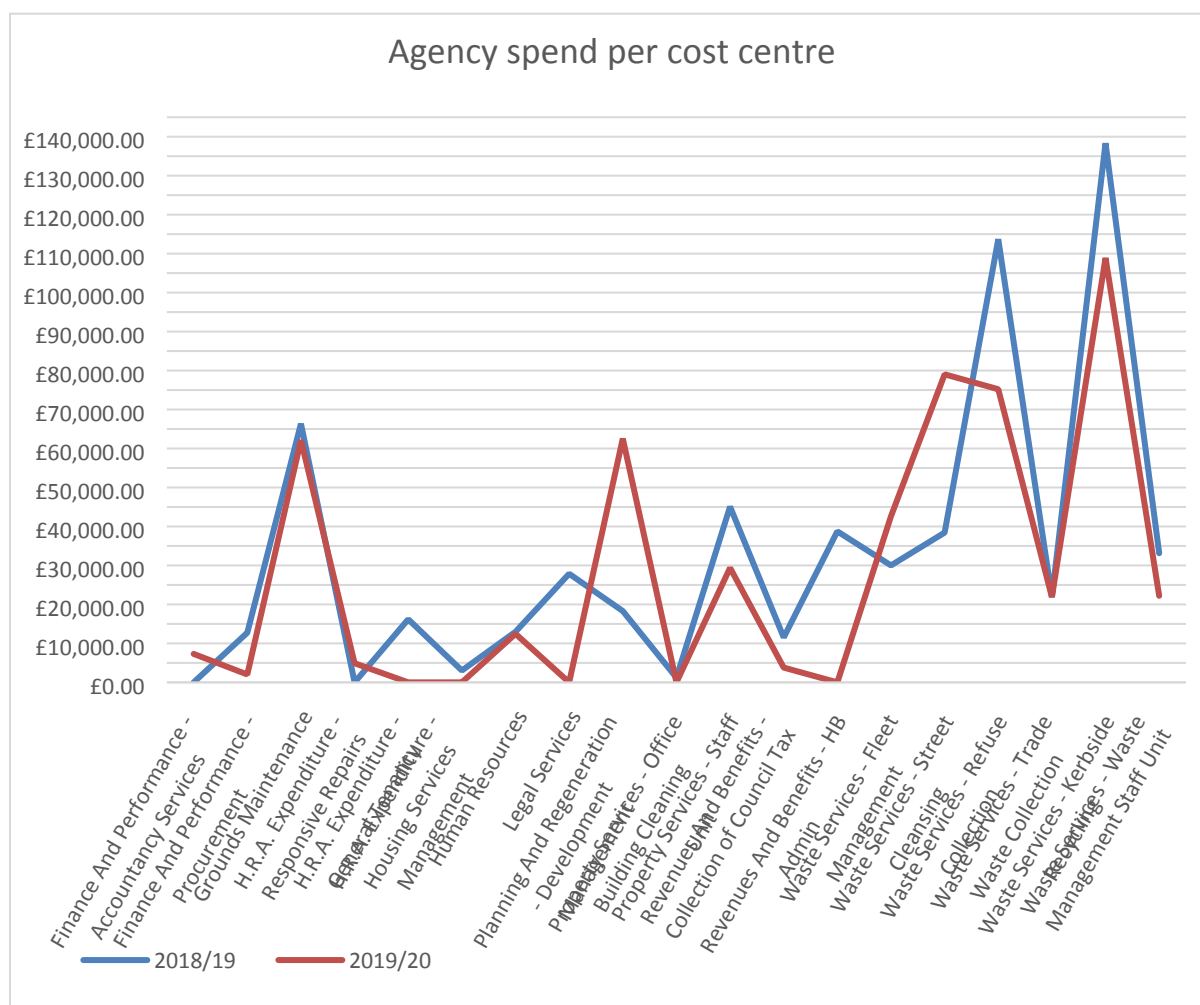
employee should not have more than six days or absence in the year) and clearer interventions around long term and short term sickness absence. Current workforce data suggests that over 30% of sickness absence is taken up with short term absence. See Appendix 1

- 2.3 In the first quarter of this year (April to June 2019) the Council has lost 1.41 days to absence per employee, meaning we are currently in line to meet the target set for the current financial year. Our sickness absence is usually less in the first two quarters of the financial year than in the last two due to the autumn and winter seasons (not including COVID-19). We have also had 20% of the workforce furloughed during the first quarter of this year due to COVID-19 so this needs to be factored in to the evaluation.



- 2.4 A recently conducted sickness audit has highlighted that return to work interviews and other key interventions are not being carried out as effectively as they should be in some areas of the Council. This is being looked into and some actions are being put into place to help address this.
- 2.5 There is a comprehensive package of measures being developed by our new Health and Safety Officer, Chris Hodgson which look to improve levels of wellbeing and improved support around mental health in the workplace. This includes establishing a base line of where the Council is at in terms of the wellbeing of its staff and look at using the Warwick-Edinburgh mental well-being scale.
- 2.6 This is a scale of fourteen positively worded items, designed to measure both the feeling and functioning aspects of positive mental wellbeing eg 'I've been feeling optimistic about the future'. 'I've been thinking clearly'. Participants are asked to choose the answer that best describes their experience of each item over the last two weeks using a five point scale. The end result is a score between 14 and 70 with a higher score indicating better wellbeing.
- 2.7 One of the consequences of high sickness absence and other poor establishment performance (unresolved, high conflict) is rising agency costs.

- 2.8 During the first quarter of 2020/21 the organisation spent £174, 401.02 on agency workers (some of this spend owing to providing cover to critical services during COVID-19). In the last two financial years the Council has paid out £628,636.03 on agency spend in 18/19 and £534, 378.49 in 19/20. Agency workers provide cover to vacant posts as well as employees who are sick or absent from the workplace in critical services including waste and leisure. So there is further incentive to improve our position regarding sickness absence.

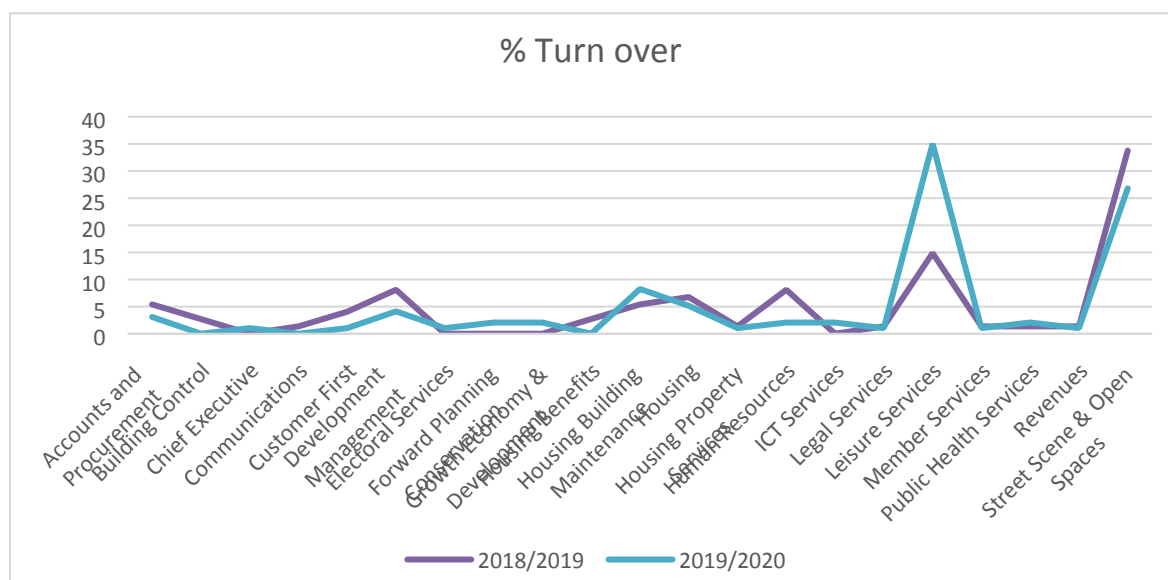


- 2.9 The below tables compare the establishment for the Council and their associated costs for 2018/19 and 2019/20. The establishment rose by 12.26 due to agency posts being removed and these becoming embedded in the establishment of critical services. Please note that the increase in gross pay for 2019/20 includes a 2% cost of living award which is made to each member of staff.

	2018/19	2019/20
Total number of employees/workers paid	717	718
Establishment FTE	419.92	432.18
Total Taxable Gross Pay	£10,365,399.45	£11,170,336.78
Employers NI	£ 972,003.44	£ 1,024,710.32
Employers Pension	£ 1,537,451.85	£ 1,595,839.06

3.0 Turnover

- 3.1 Turnover for the first quarter stood (1 April to 30 June 2020) stands at 4%. During this period 28 employees left the Council; there were 8 resignations, 3 dismissals with notice, 1 dismissal without notice, 2 end of fixed term contracts, 3 retirements and 4 TUPE transferred.
- 3.2 This compares with turnover standing at 6% in Q4 of the 19/20 financial year and a cumulative turnover figure of 18%. This was higher than the cumulative turnover figure for 18/19 which stood at 14%.
- 3.3 Members had requested a full breakdown of all leavers and data collected during exit interviews for last 18 months. This information is shown in Appendix 1 with the below graph comparing turnover in 18/19 with 19/20.



4.0 COVID-19

- 4.1 Since March 23 when the government announced a formal lockdown of both businesses, services and offices, the Council have been closely managing both the health and wellbeing of its workforce as well as how it is redeployed to ensure critical services are delivered to the public.
- 4.2 Key activity has focused on reporting the status and performance of our workforce on first a daily then a weekly basis. During COVID 19 our workforce has been very stable in its status with 30% of our employees on site or in the office delivering critical work or services, 40% working from home and 20% furloughed.
- 4.3 The majority of our furloughed staff came from our Leisure facilities which were closed on the 23 March and are only predicted to reopen in late July. A few staff from other services have been furloughed due to much or most of the posts business need being severely reduced during the pandemic. Payroll have been applying to the government on a month by month basis to recoup the money from the government that is available under their scheme for these staff.

- 4.4 The furlough scheme allowed employers to be reimbursed for 80% of their employees' salaries and the associated employer's national insurance and pension contributions, where employees were unable to work due to closures etc. caused by Covid 19.
- 4.5 We have furloughed a maximum of 158 employees over April, May and June. This is mainly for employees from our leisure services and includes all the casual employees from Leisure. It also included employees who were shielding, that work in other service areas.

The money reclaimed to date from the furlough scheme is:

April 2020 £72614.23

May 2020 £95224.54

June 2020 £91287.48

From 1st July 2020, the furlough scheme changed to a flexible furlough scheme, which allows employees to work part of their hours and be furloughed for the remainder. We are expecting the Leisure Service to utilise this scheme once the Leisure Centres are open from 3rd August 2020.

- 4.6 We also set up a direct testing booking service for staff so any staff suffering from COVID-19 symptoms and in self-isolation can be quickly tested and the results received expediently. To date we have had no positive tests back from the staff who have been tested.
- 4.7 Following the publication of the government's advice for work sites and offices, the Corporate Management Team oversaw the carrying out of a number of health and safety assessments and conducted an online survey for staff to ask about their experience during COVID-19 and to look ahead to the future. The results of the survey and the assessments were very positive and many staff and teams have fed back encouraging experiences of working from home and of the support they have received from the Council during this period.
- 4.8 What the survey did also illustrate was that a number of staff are feeling apprehensive and anxious about returning to the workplace more regularly in the future. To help give staff confidence about returning to the workplace, the Corporate Management Team published a full briefing on how Phoenix House would look and work in the future and have committed to implement this plan gradually over the summer so we can take account of any challenges that we may experience and make further improvements. There are already clear one way walkways and designated stations for members and staff to use sanitiser gels and towels in the building.

5.0 Conclusion and Recommendations

- 5.1 There are a number of priorities which the Group HR Manager wants to focus on in terms of our Establishment performance but he would like to draw attention to three key priorities.

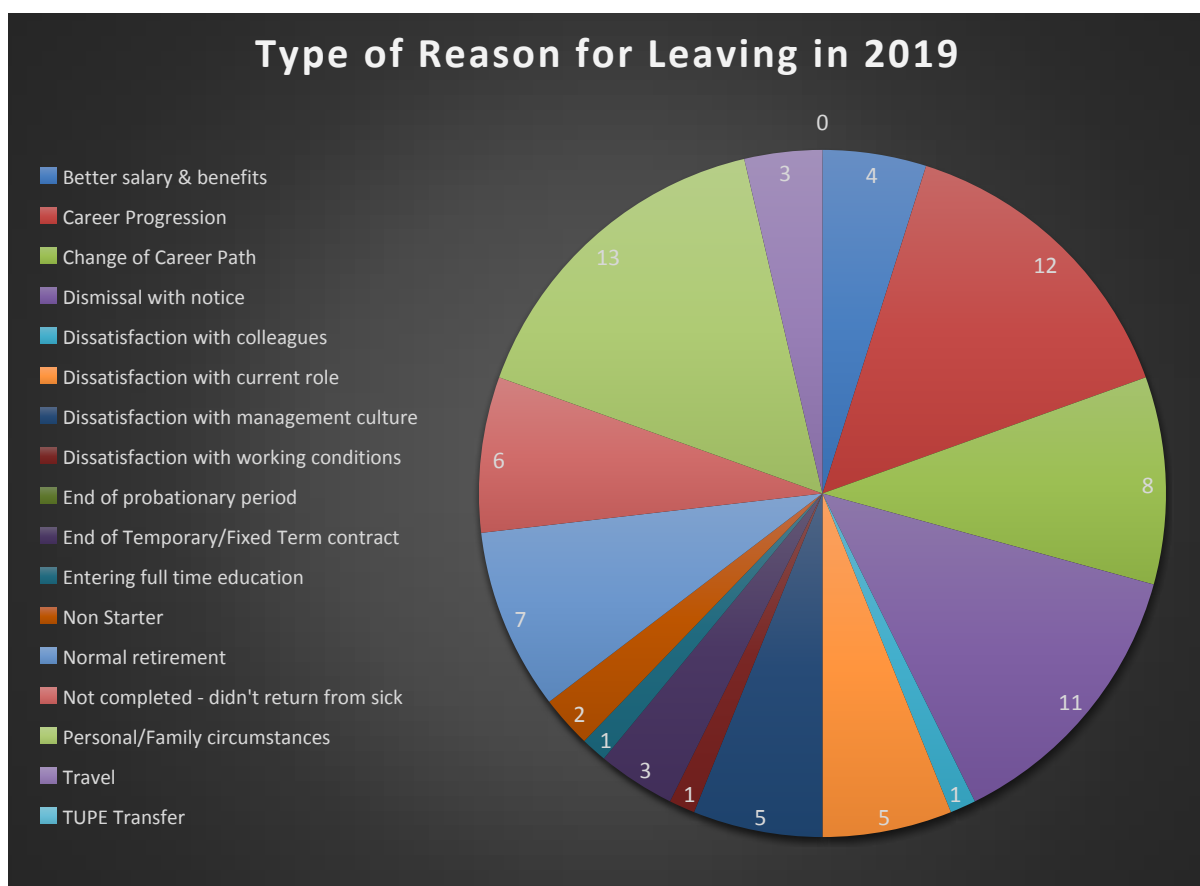
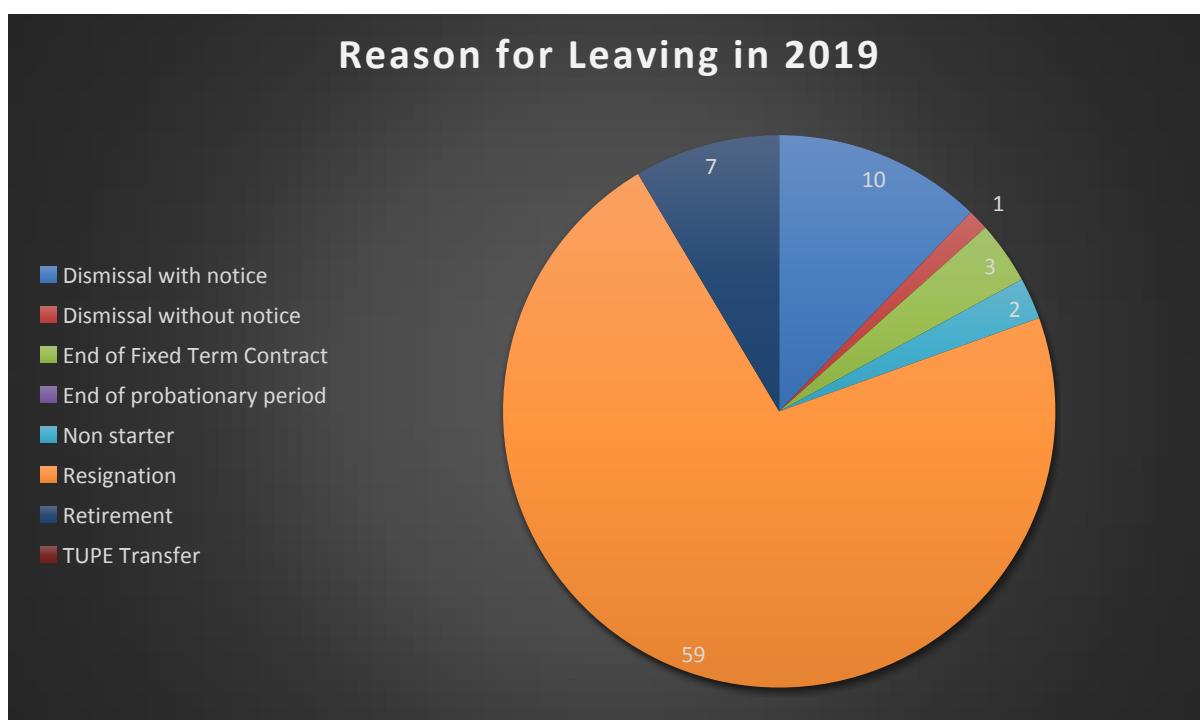
- 5.2 It is vital that we continue to plan ahead for COVID-19 and a potential second spike in the autumn/winter. The work we have done to date has laid a solid base on which to further build our support and services for use by the workforce.
- 5.3 It is important that all of the necessary support interventions are in place to support the implementation of the new sickness absence policy as we begin to move forwards (hopefully) from COVID-19.
- 5.4 The third is to ensure that the necessary quality of supervision and regular one to one support is delivered to the workforce, especially at this time of high remote working (both for line managers and employees).

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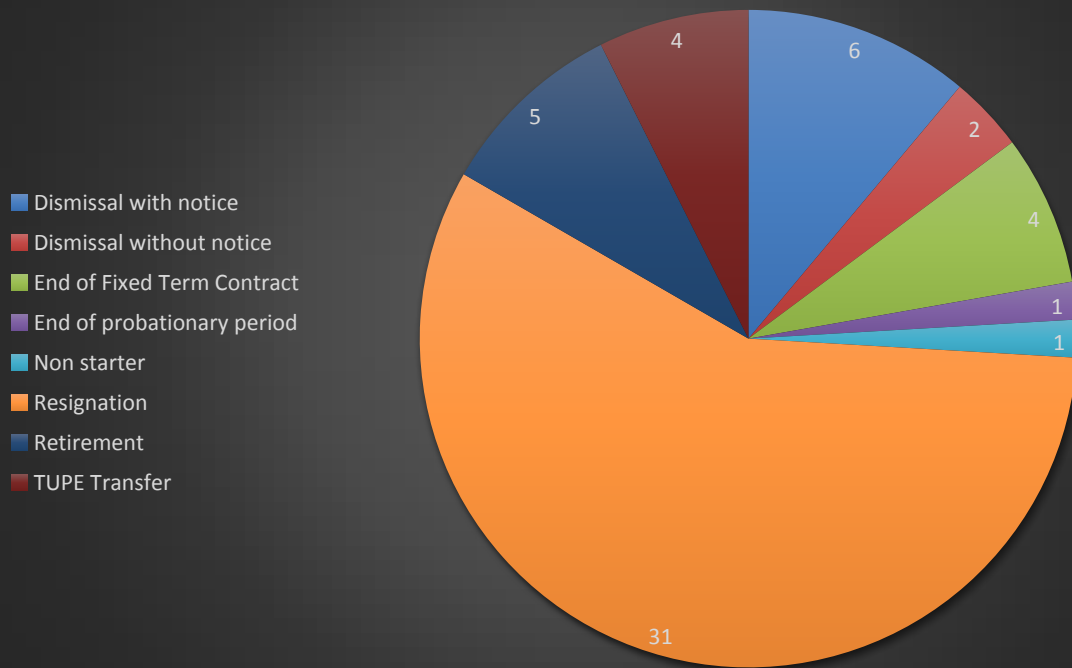
Circulation of the Report: Cabinet Member seen and approved Yes – Cllr Nikki Woollatt, Leadership Team seen and approved Yes.

List of Background Papers: Establishment Paper submitted to Cabinet February 2020.

Appendix 1



Reason for Leaving in 2020



Type of Reason for Leaving in 2020

