

## **CABINET FEBRUARY 4 2021**

### **ESTABLISHMENT**

**Cabinet Member(s):** Cllr Bob Deed, Cllr Nikki Woollatt  
**Responsible Officer:** Matthew Page, Corporate Manager for People, Governance and Waste

**Reason for Report:** To inform Members of the overall structure of the Council showing the management and deployment of officers. This report should be read in conjunction with the functions of individual officers highlighted in the constitution.

**Recommendation:** The Cabinet is asked to recommend the Establishment to the Council (please see Appendix 1)

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

**Budget and Policy Framework:** This report sits within the current budget and policy framework.

**Legal Implications:** In accordance with article 14 of the constitution.

**Risk Assessment:** If the establishment is not appropriately managed and reviewed then service delivery may 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.

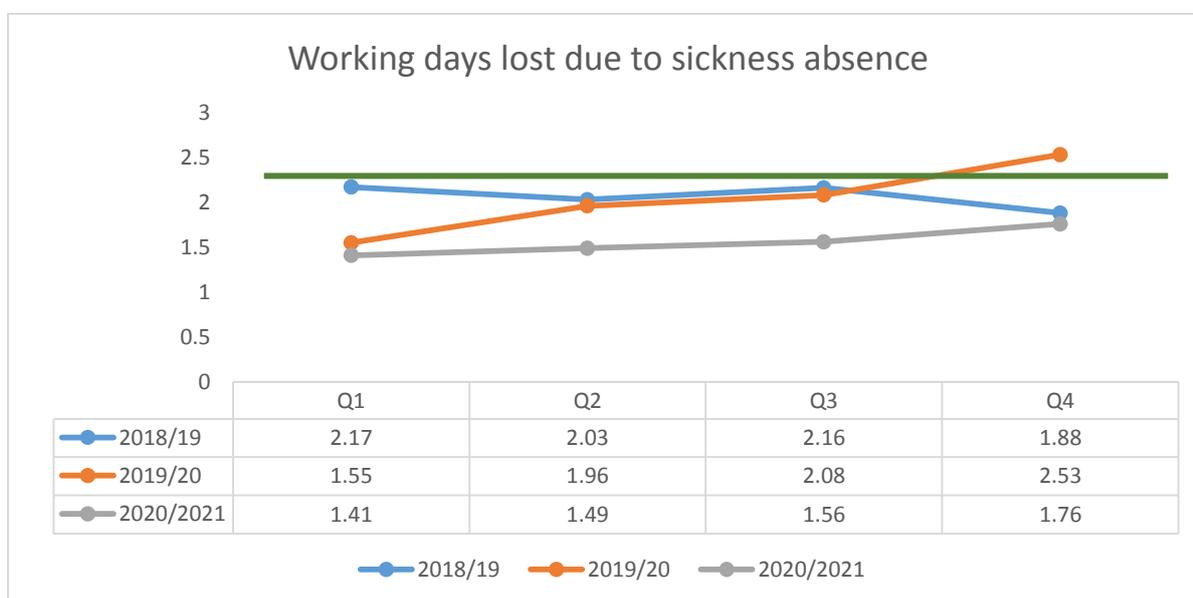
1.2 These items included updates on the key establishment indicators of sickness and agency expenditure, turnover and the impact of COVID-19 on our workforce.

#### **2.0 Sickness Absence, Agency Expenditure and Establishment**

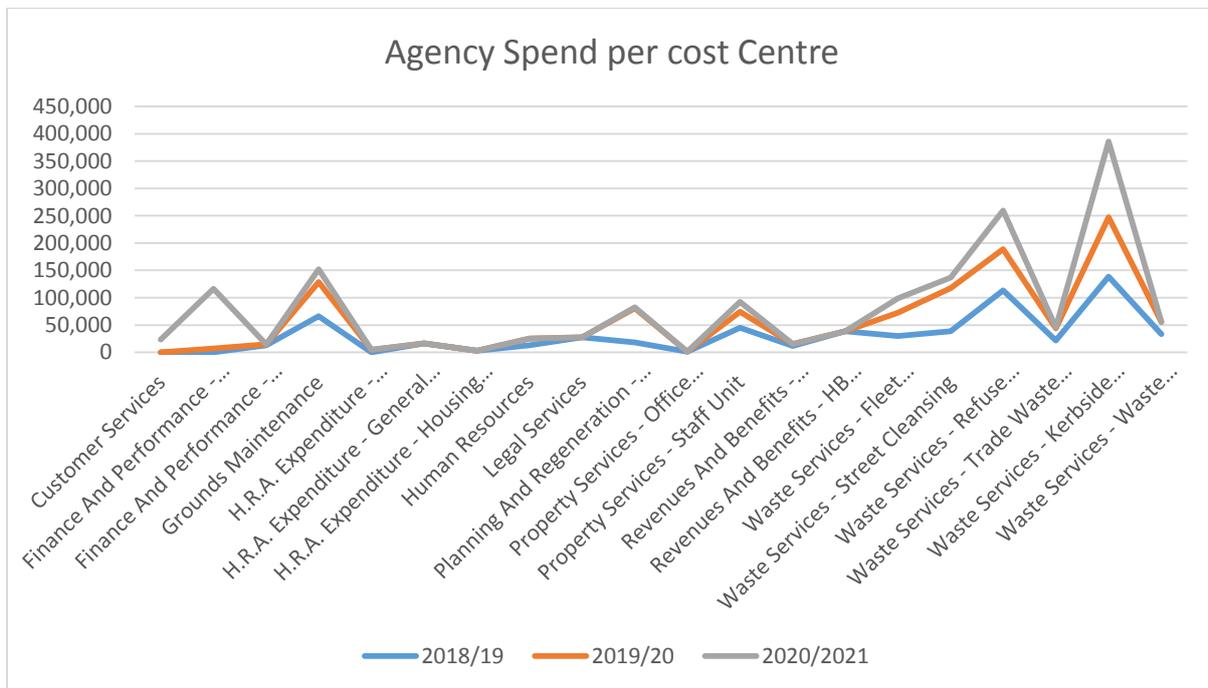
2.1 During 19/20 MDDC had an average of 8.12 sickness days per FTE person, 3.27% of overall workforce time. This compares to 8.24 sickness days that were lost per FTE employee in 18/19. For the 20/21 financial year there is both a target and subsequent action plan to reduce the number of days lost to less than 7 days per FTE employee (which would put the Council in line with the industry standards across other councils, between 6.5 and 8 days lost per

FTE employee). The average number of days lost per FTE employee in the private sector is 6.4 days per employee and the average number of days lost per FTE employee in the public sector is 7.5 days (2019).

- 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 of absence in the year) and clearer interventions around long term and short term sickness absence. This appears to have helped improve the management of short term sickness absence which has fallen from contributing 66% of absence in Feb 2020 to 33% in December 2020.
- 2.3 In the first three quarters of this year (April to December 2020) the Council has lost 4.18 days to sickness absence per employee, meaning we are currently in line to outperform the target set for the current financial year (6 days lost per FTE compared to 7 days per FTE). 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 periods of the first three quarters of this year due to COVID-19 so this needs to be factored in to the evaluation.

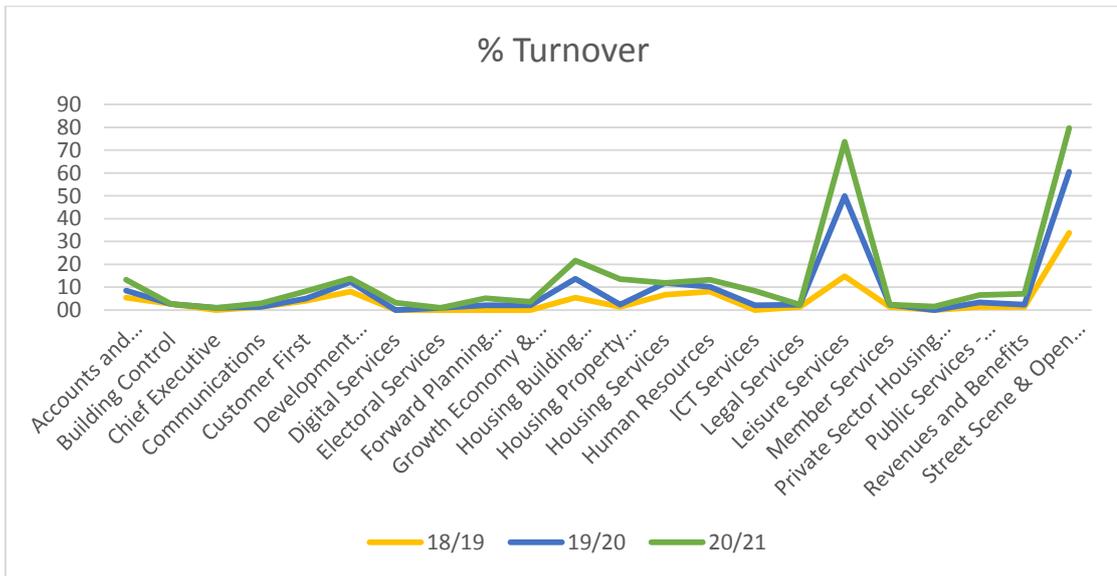


- 2.7 One of the consequences of high sickness absence and other poor establishment performance (unresolved, high conflict) is rising agency costs.
- 2.8 During the first three quarters of 20/21 the organisation spent £431,261.31 on agency workers (at least £150K of this spend owing to providing cover to critical services during COVID-19). The projected spend for 20/21 is £575,000 but without COVID-19 it would have been projected to come in much lower. 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.



### 3.0 Turnover

- 3.1 Turnover for the first three quarters (1 April to 31 December 2020) stands at 12.7%. During this period 66 employees left the Council; there were 42 resignations, 5 dismissals with notice, 1 dismissal without notice, 8 end of fixed term contracts, 5 retirements, 1 redundancy and 4 TUPE transferred.
- 3.2 Turnover for 20/21 is projected to come in at around 17%. This compares with turnover standing at 18% for the 19/20 financial year and 14% for the 18/19 year.
- 3.3 Turnover in the first six months of this financial year was unusually high and there were three key reasons for this. First of all there was some fairly aggressive headhunting of certain members of the current workforce from other local authorities (and one in particular). Second there has been some restructuring carried out in different service areas including ICT, HR and Building Services. Finally the organisation has had some challenging areas of conduct to manage in the organisation which has led to a new Conduct policy being published and staff being made more aware of the Nolan principles which underpin the high standards that are demanded of all local government officers.
- 3.3 Members had requested a full breakdown of all leavers and data collected during exit interviews. This information is shown in Appendix 1 with the graph below comparing turnover from 18/19 to 20/21.



#### 4.0 COVID-19

4.1 Since March 23 2020 when the government announced a formal lockdown of businesses, services and offices, the Council has 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 then reopened in late July (to then be shut again for four weeks in November to accompany the period of national restrictions). 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 We have furloughed a maximum of 158 employees per month for the financial year to date. This is mainly for employees from our leisure services and includes all the casual employees from Leisure. It also included employees in other service areas who were shielding and some with home schooling responsibilities.

The money reclaimed to date from the furlough scheme is:

April 2020    £72,614.23 – 80% of Salary plus Ers NI and Ers Pension

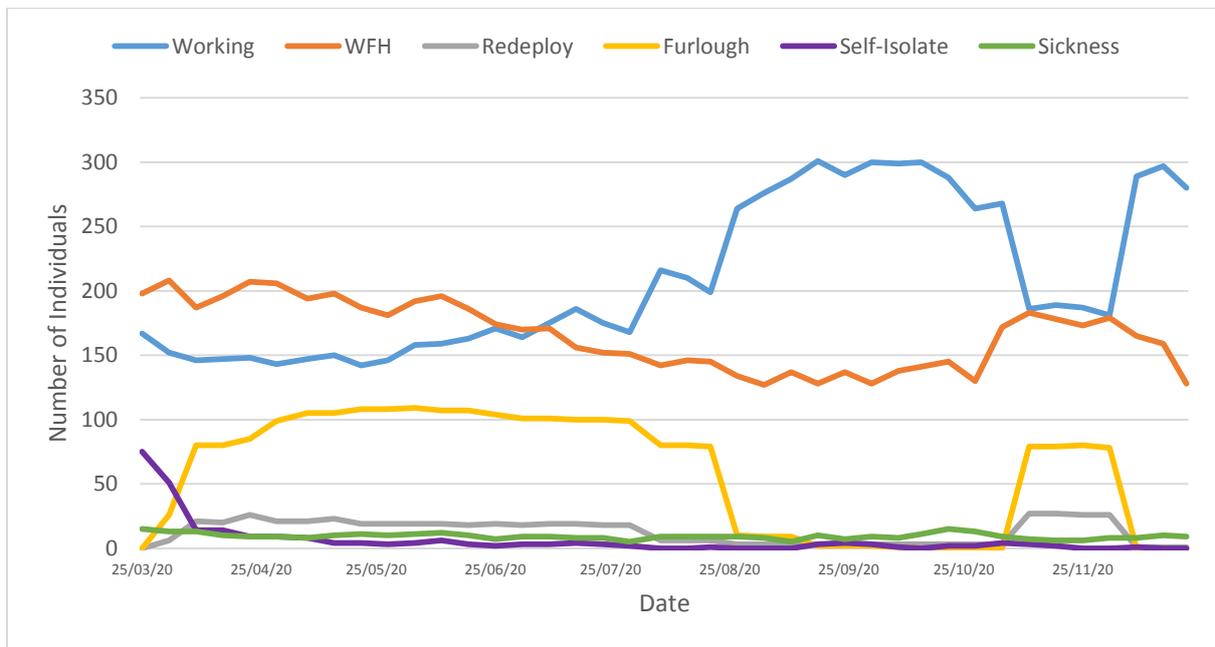
May 2020    £95,224.54– 80% of Salary plus Ers NI and Ers Pension

June 2020    £91,287.48– 80% of Salary plus Ers NI and Ers Pension

July 2020	£64,158.26–	80% of Salary plus Ers NI and Ers Pension
Aug 2020	£9,858.76 -	80% of Salary Only
Sept 2020	£776.40 _	70% of Salary Only
Oct 2020	£873.19	60% of Salary Only
Nov 2020	£53,224.17	80% of Salary Only

From 1 July 2020, the furlough scheme changed to a flexible furlough scheme, which allowed employees to work part of their hours and be furloughed for the remainder. The Leisure Service utilised this scheme to assist with the services reopening from the 3 August 2020.

- 4.5 We also set up a direct test booking service for staff so any staff suffering from COVID-19 symptoms and in self-isolation can be quickly tested and the results receive expediently. To date we have only had a handful of positive tests back from the staff who have been tested.
- 4.6 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.
- 4.7 What the survey also illustrated was that a number of staff were feeling apprehensive and anxious about returning to the workplace more regularly in the future. To help give staff confidence about returning to the workplace, we published a full briefing on how Phoenix House would look and work in the future and committed to regular reviews of this (and other site plans) during the year.
- 4.8 The below graph shows how the workforce has been redeployed over the last nine months and has responded to the changing national guidance e.g. formal lockdown, gentle encouragement to return to the workplace, more formal encouragement to return to the workplace, reintroduction of tighter restrictions, national restrictions and the tier system. It's been quite a journey but one which the organisation can be proud of in terms of its response. It also gives natural impetus to the organisation to consider its longer term position towards issues like working from home and flexible working - important components of our work around staff retention which is covered in more detail in the next section.



## 5.0 Development, Retention and Engagement

- 5.1 A short development paper has been circulated to consider the main areas of focus for improving the employment offer we can make to both prospective and current staff with regards to retention. Part of this is to consider how we better recognise excellent performance and contribution in the workplace, consider how we better promote our current package of benefits and consider our long term position around flexible working and WFH post COVID-19.
- 5.2 We have made considerable progress with the roll out of the Evolve project this year, with improvements including the roll out of online Appraisal, the publishing of a new competency framework and the compiling of an online skills analysis which can help inform future workforce planning and talent management programmes. There has also been a considerable improvement in the uptake of online learning and development courses which are detailed below.

	2019-2020	2020 - Jan 2021
Learning Hub - online mandatory learning (individual pieces of learning)	1,484	4,275
Learning Hub - online courses (individual pieces of learning)	187	227
Corporate Course Catalogue	0	17 online sessions (158 attendees)
Apprenticeships	0 virtually delivered	11 virtually delivered
Other recorded online training	0	11 plus 15 EVOLVE training sessions (79 attendees)

- 5.3 We also need to build on the improvements we have made to both the quality and exchange of communication with the Union, as well as the introduction of the new all staff consultative group 'Impact', to further strengthen engagement and workforce input with our people strategy. A new staff survey to assess communication, development, wellbeing and supervision will be a key priority for the coming year.
- 5.4 Members and officers have set up a working group to looking at raising awareness around the menopause and how we support and manage relevant issues in the workplace. Proposals have been taken to Scrutiny for approval which include the signposting of support on relevant issues and educating line managers on the need to treat the menopause as an issue that may require a fuller understanding of the symptoms in order to offer support.
- 5.5 The COVID-19 pandemic has obviously posed some challenges for the Council around supporting staff with their mental health and wellbeing. A rise in the use of our Employee Assistance Programme to access support around mental health problems was recorded both in April and the autumn of this year. The Health and Safety Officer has been very proactive in promoting resources and toolkits through the weekly internal staff publication called 'The Link'.

## **6.0 New HR Structure**

- 6.1 A new HR structure has been brought in from January 2021 to improve our focus on providing robust, commercial advice to the business and partnering people management effectively to our services to support their objectives.
- 6.2 The new structure is led by two HR Business Partners, who work alongside specific areas of the business, supported by an Employee Relations Specialist and a Learning and Development Specialist who co-ordinate programmes of work in these important areas.
- 6.3 These posts are complemented by an HR Service Desk which provides front line telephone and online advisory and administration support to line managers and employees. The HR Service Desk is made up of three HR Co-ordinators and one HR Service Desk and Payroll Manager.

## **7.0 Conclusion and Recommendations**

- 7.1 Clearly there are a number of priorities to focus on in terms of our Establishment performance, but attention should be drawn to three key priorities:
- 7.2 It is vital that we continue to respond to the evolving situation around COVID-19 and help the workforce deliver their services with new arising situations including a potential exit plan from the pandemic.
- 7.3 It is important that we continue to build on the foundations put in place through Evolve and the staff engagement strategy to improve retention and the quality of our employment offer to the workforce.

7.4 The third is to use the new HR structure to strengthen the links between people management, Finance and the rest of the organisation so we can more effectively understand our performance, including the relationship between our establishment and our budget, our sickness and our agency spend, our skills analysis and workforce planning aspirations.

**Contact for more Information:** Matthew Page, Corporate Manager for People, Governance & Waste ([Mpage@middevon.gov.uk](mailto:Mpage@middevon.gov.uk))

**Circulation of the Report:**– Cllr Nikki Woollatt, Leadership Team

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