

Report for: Service Delivery & Continuous Improvement PDG

Date of Meeting:	23 September 2024
Subject:	Establishment Report
Cabinet Member:	Cllr Jane Lock, Cabinet Member for People, Development and Deputy Leader
Responsible Officer:	Matthew Page, Head of People, Performance & Waste and James Hamblin, Operations Manager – People Services
Exempt:	N/A
Wards Affected:	All
Enclosures:	Appendix 1 - Structure Chart

Section 1 – Summary and Recommendation(s)

To provide Members an update on both the Establishment of the Council together with its performance. This report should be read in conjunction with the functions of individual officers highlighted in the Constitution.

This report sits within the current budget and policy framework. An updated set of structure charts is provided in Appendix 1.

Recommendation(s):

- 1. The Service Delivery & Continuous Improvement PDG is asked to note the information below.**
- 2. The Service Delivery & Continuous Improvement PDG provides any feedback relevant to inform the report that goes to Scrutiny**

Section 2 – Report

1.0 Introduction

- 1.1 The purpose of this report is to provide an update on the performance of our workforce.**

- 1.2 These items include updates on the key establishment indicators of sickness absence, agency expenditure and turnover.
- 1.3 Focus on data and analysis continues to be a key consideration as we share and embed this across service areas through initiatives such as the quarterly performance review report and subsequent operational meetings. Additional monthly updates are provided to the Corporate Management Team and Leadership Team on workforce data. Where possible the collection, reporting and sharing of data is being automated using our own systems.
- 1.4 The workforce data allows us to compare the performance and impact of vacancies, sickness, turnover, agency and overtime spend both corporately but also in particular departments. This helps us to regularly review our establishment and make sure it is fit for purpose.

2.0 Sickness Absence, Agency Expenditure and Establishment

2.1 For 2023/24 the Council had an average of 10.45 days sickness absence per full time equivalent (FTE). This compared to 9.9 days in 2022/23, 7.82 days in 2021/22 and 5.58 days in 2020/21. Figure 1 outlines sickness absence since 2020/21 and includes the first four months in the financial year 2024/25.

2.2 Our policy expects employees to not exceed 6 days sickness absence in a rolling 12 month period. It should be noted that there will be a difference between FTE and per employee statistics. As noted on previous reports, lower sickness absence levels during the ‘pandemic years’ will reflect both the furlough scheme in place at the time and employees being able to work from home.

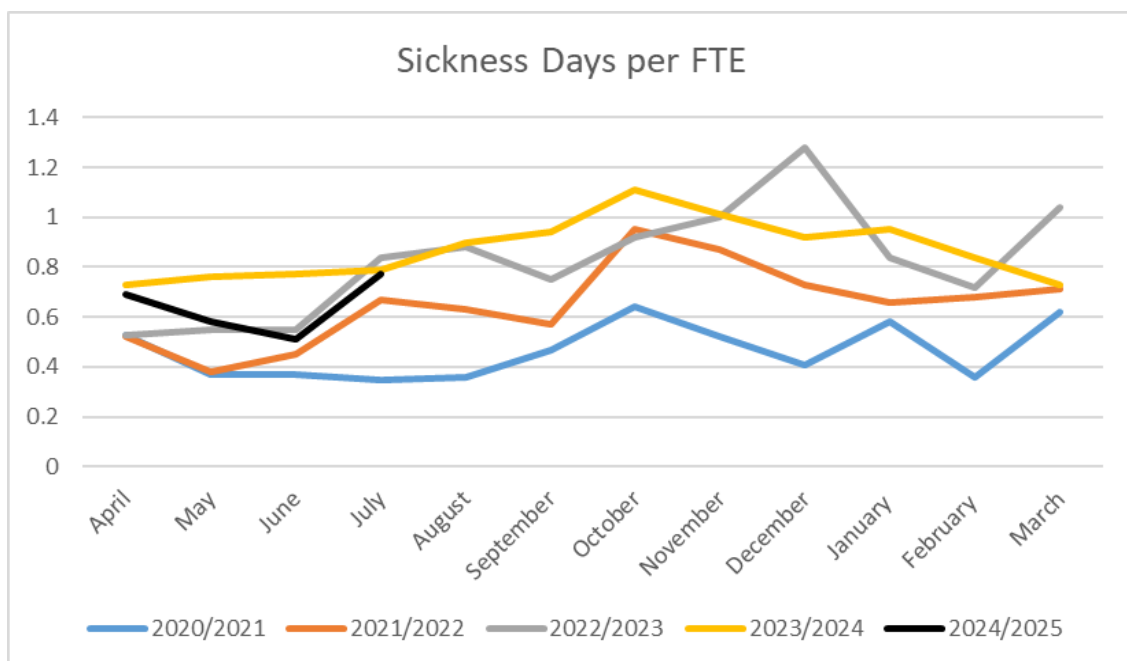


Figure 1. Sickness 2020/2021 – 2024/2025.

- 2.3 Sickness absence and the impacts this creates remain an ongoing challenge. In 2023, the People Services department rolled out in house training across the organisation following the updates made to the sickness absence policy. This training has been made available to employees through the learning management system to ensure content created is readily available to existing and new line managers.
- 2.4 In the first four months of this financial year, 2.55 days sickness absence per FTE were recorded. Acknowledging this, current projections would suggest approximately 7.65 days lost per FTE in 2024/2025. It should be noted that there is typically a rise in sickness absence in autumn and winter.
- 2.5 Expectations regarding sickness absence continue to be communicated through line managers, with particular acknowledgement given to the challenges brought by presentism which has nationally gained attention as the country has transitioned into longer term hybrid working practices following the COVID-19 pandemic.
- 2.6 Work has already begun with employees across all service areas regarding the flu vaccination offered by the Council for the forthcoming autumn and winter season. Dedicated appointment dates and times have been secured with a local provider following a review of the scheme rolled out in 2023. By communicating earlier in late spring with employees compared to previous years, an underlying aim is to minimise the impact of absence caused by infection and flu like symptoms.
- 2.7 Earlier this summer employees from our Leisure Service attended Phoenix House, the Old Road depot and Carlu Close to provide employees with free health checks. Feedback has been positive and efforts to introduce a more regular annual or bi annual health check for employees is being explored.
- 2.8 Following conclusion of the All Staff Survey in 2023, an action plan has been created focused on themes of Communication, Engagement as well as Pride and Wellbeing. This followed further feedback provided by the Impact Consultative Group and our recognised Union. Autumn 2025 will see the launch of the next All Staff Survey.
- 2.9 During 2023/24 the Council spent £682,789.04 on agency workers. Table 1 outlines agency spend since 2020/21. The labour market continues to fluctuate between the broader benefits and security of permanent employment and the typically higher salary and greater flexibility offered by agency work. The Council continues to review benefits available to our employed workforce to ensure we maintain an attractive employment offer. It should be noted that figures outlined in Table 1 may vary from previous reporting due to payment terms with the providers.

Year	Agency Spend	Year On Year Change (+/-)
2020/21	£576,368.28	
2021/22	£812,248.34	+33.97%
2022/23	£1,102,933.68	+30.36%
2023/24	£682,789.04	- 47.06%

Table 1. Agency Spend 2020/21 – 2023/24

2.10 Table 2 compares the Establishment for the Council and associated costs from 2020/21 to 2023/24. The 2024/25 pay award is still being negotiated with no clear resolution in sight for employees or employers. Strike action associated with the ongoing pay negotiation continues to be a risk which is monitored at the Council and at the time of writing this risk is increasing and being reported nationally. It is noted that in recent years, pay settlements have been agreed in excess of eight to nine months after the pay rate should have started e.g. it is being paid in November or December of the calendar year when it was due on the 1 April.

	2020/21	2021/22	2022/23	2023/24
Total number of employees /workers paid	697	728	765	798
Establishment FTE (Average)	422.79	426.43	430.44	443.69
Total Taxable Gross Pay	£11,515,324.63	£12,197,334.88	£13,168,855.70	£14,343,265.15
Employers NI	£1,038,135.28	£1,126,244.53	£1,277,182.95	£1,365,846.63
Employers Pension	£1,832,713.73	£1,938,973.16	£2,093,547.57	£2,585,379.63

Table 2. Establishment 2020/21 – 2023/24

2.11 The year on year increase in 'Total Taxable Gross Pay' outlined in Table 2 reflects the increased FTE, each year's pay award made as well as the yearly incremental increase. It should be noted that the overall yearly payroll budget includes an aspect of agency staffing costs which can be used to cover hard to recruit areas e.g. Solicitors in Legal, Planning Enforcement Officers.

2.12 In October, training focused on Recruitment, Interviewing and Selection will be rolled out in response to employees specifically requesting training on this. In the current labour market it is important that we ensure that training

provided to recruiting managers includes the importance of providing interviewees a platform to perform to the best of their capabilities and that we also highlight the benefits of the Council as an employer.

2.13 Training, through our course catalogue, has returned with sessions available to all employees in September and October. Emphasis is being placed on the importance of attendees sharing knowledge with their teams. Further sessions for November and onwards will be booked as we continue to monitor the training needs of employees which will also be discussed during appraisals.

3.0 Turnover

3.1 Turnover for 2023/24 was 17%. This compares to a turnover of 19.49% in 2022/23, 21.25% in 2021/22 and 14.23% in 2020/21. Figure 2 shows turnover at the Council since 2020/21 and includes the first four months in the financial year 2024/25.

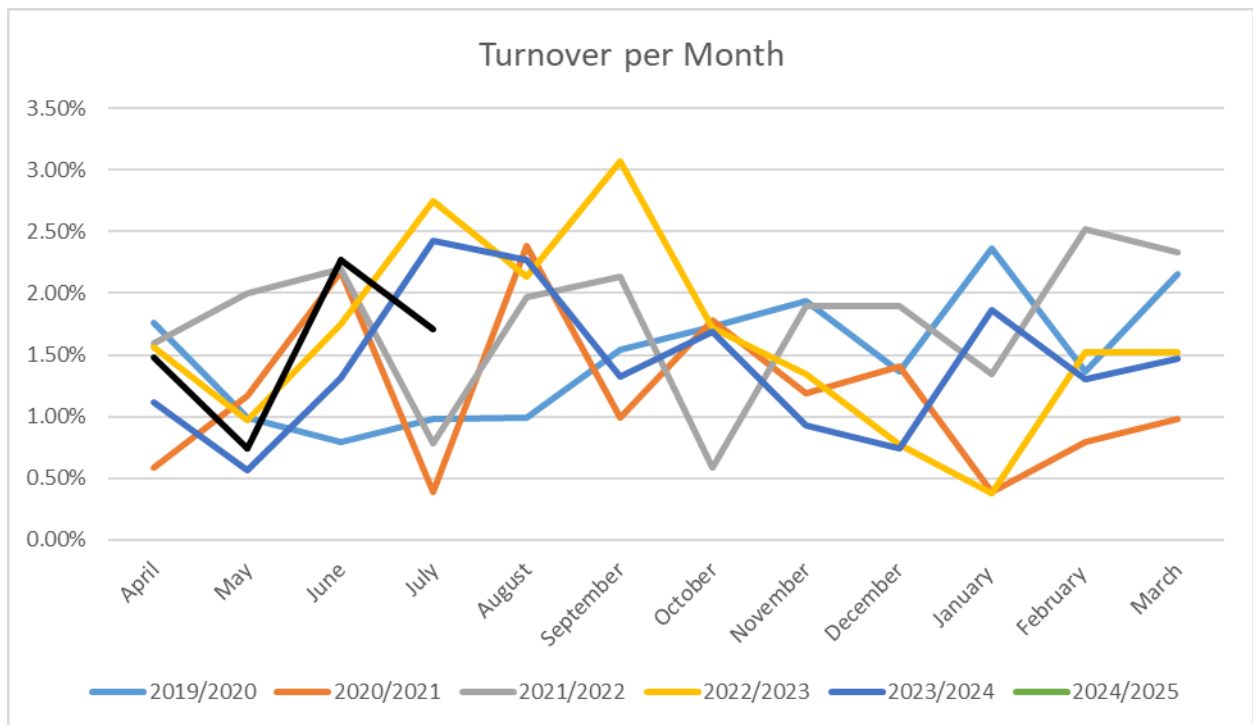


Figure 2. Turnover 2020/21 – 2024/25.

3.2 In the first four months of the new financial year turnover totalled 6.20%. Acknowledging this, current projections would suggest we end 2024/25 with a turnover rate of approximately 18.6%.

3.3 Feedback from exit interviews is being shared with services to reflect on what we, both at a service and whole Council level, could consider to retain employees.

- 3.4 Alongside apprenticeships across the Council, we continue to support Mid Devon residents with work experience. Eleven students from different educational providers joined our services earlier this year to gain insight into working life at the Council. We continue to use our apprenticeship levy funds to support the development of our employees whether this is in the form of those joining us as an Apprentice or upskilling existing employees.
- 3.5 The latest round of appraisals at the Council was launched in August. A core theme of the process for this year will be to ensure we embed the new Corporate Plan within the objective setting process so that all employees can understand how they contribute to the strategic direction of the Council.

4.0 Conclusion and Recommendations

- 4.1 Work must continue to review our establishment and staffing budget. Greater insight from data and analysis will support services to analyse their service needs. In 2023/24 we averaged over 90% when reviewing our budget against who we actually employ and therefore we must still do work to reduce this gap.
- 4.2 Whilst sickness absence and therefore the impact from sickness absence appears to be reducing, it is important that we do not lose sight of the need to address absence with timely management interventions. Similarly, the reduction in agency spend should not be taken lightly and efforts, such as the regular review of vacancy need within the Council, is required to ensure we manage what is within our gift.
- 4.3 Acknowledging the next All Staff Survey will be rolled out in just over 12 months, it is important that the associated action plan remains in place and monitored.
- 4.4 The inevitable delay to the 2024/25 cost of living pay award will affect both the Council's ability to recruit and retain staff as well as heighten the possibility of industrial action from staff which could cause service disruption.

Financial Implications

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

Legal Implications

In accordance with the Council's Constitution.

Risk Assessment

If the Establishment of the Council is not appropriately managed and reviewed service delivery may be put at risk.

Impact on Climate Change

No climate change issues are highlighted in this report.

Equalities Impact Assessment

Considerations are given to specific policy and decisions with regards to equality impact assessments.

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.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett

Agreed by or on behalf of the Section 151

Date: 10 September 2024

Statutory Officer: Maria de Leiburne

Agreed on behalf of the Monitoring Officer

Date: 10 September 2024

Chief Officer: Stephen Walford

Agreed by or on behalf of the Chief Executive/Corporate Director

Date: 10 September 2024

Performance and risk: Steve Carr

Agreed on behalf of the Corporate Performance & Improvement Manager

Date: 05 September 2024

Cabinet member notified: Yes

Report: Exclusion of the press and public from this item of business on the published agenda on the grounds that it involves the likely disclosure of exempt information. (Yes/No)

Appendix: Exclusion of the press and public from this item of business on the published agenda on the grounds that it involves the likely disclosure of exempt information. (Yes/No)

Section 4 - Contact Details and Background Papers

Contact: Matthew Page (MPage@middevon.gov.uk), Head of People, Performance & Waste and James Hamblin (JHamblin@middevon.gov.uk), Operations Manager – People Services

Background papers: Previous Establishment Reports taken to both Scrutiny