

## **CABINET – 17 DECEMBER 2019**

### **WORKFORCE REPORT AND STAFFING DATA QUARTER 2 2019/2020**

**Report by Deputy Director, Human Resources**

#### **RECOMMENDATION**

1. **The Cabinet is RECOMMENDED to note the report.**

#### **Executive Summary**

2. Our workforce is the most valuable asset the council deploys. It is our people that make a difference to our residents and our communities. The very nature of the work, and the services we provide, is people intensive. Our residents are reliant on the professionalism of our workforce to deliver high quality services and the Council's future ambitions.
3. This report provides a quarterly overview of activity undertaken by HR in recent months along with the staffing data for the period 1<sup>st</sup> July – 30<sup>th</sup> September 2019 (Quarter 2).

#### **Human Resources; Quarterly overview of activity.**

4. Areas of focus for the HR team have been:
  - The broad HR principles underpinning Organisation Change and Development including service re-design.
  - Changes to Vacancy Management to bring improved control to our establishment, to ensure continued recruitment to priority areas and to seek and maximise opportunities for redeployment where relevant.
  - The re-tender of the Occupational Health contract and Employee Assistance Programme. These are two key contracts that enable the Council to best support our workforce at times of ill health and offer a range of accessible support such as counselling, debt advice, legal advice and support with health and wellbeing needs.
  - Support for areas with business critical requirements, for example, Property and Facilities Management in the Communities Directorate.
  - Changes to the Cycle Scheme, moving from two to twelve windows of application per year for employees and the development of a loan scheme for members.
  - Support for senior recruitment and joint appointments.

#### **Quarterly Update**

##### Organisational Change and Development including Service Re-design

5. During the quarter, HR has provided support for four key strands of Service Re-design, namely, Finance, Strategic Capability and the development of

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proposals for the Provision Cycle and Business Administration Service. Work is also underway to support the development of consultation proposals in readiness for the delivery of the Family Safeguarding Plus model in the Children's and Families Directorate and in the Property and Facilities Management area of the Communities Directorate.

6. As part of consultation, staff who may be affected by any of the proposals for change are deemed a priority in terms of potential redeployment opportunities. Where redeployment cannot be facilitated, there is an effective outplacement service delivered by an external partner which provides staff with dedicated skills and career development advice. HR also tracks all displaced staff who apply for any council vacancies to ensure their progress is monitored and a guaranteed interview is offered if the essential criteria of the job role is met. Vacancy Management plays a key part in the successful redeployment of affected staff.

### Vacancy Management

7. The Vacancy Management (VM) process continues to support recruitment to priority areas and effectively supports establishment and redeployment activity.
8. VM is in place to ensure there is a global view of all vacancies that arise throughout the council. The VM process enables appropriate challenge and thought to be applied when considering recruitment to vacancies, for example, is it possible to re-organise workload, does the vacancy provide an opportunity to consider joint working and critically, the impact of potential organisation change in terms of redeployment.
9. A recent change has been made to the VM process with the decision making responsibility transferring to Directorate Leadership Teams (DLT) supported by input from the HR and Finance Business Partners. If a decision cannot be reached by the DLT, the vacancy is referred for consideration by CEDR.
10. A report detailing all vacancies that have been considered, agreed and declined by DLT's is provided to CEDR on a fortnightly basis.

### Re-Tender of Occupational Health and Employee Assistance Programme contracts

11. These are two key contracts that provide support for the health and wellbeing of our staff. The timeline for the tender and award process is:
  - Invitation to tender document issued 18<sup>th</sup> November 2019.
  - Closing date for clarification questions 25<sup>th</sup> November 2019.
  - Closing date for submission of tenders 13<sup>th</sup> December 2019.
  - Preliminary evaluation of tenders 9<sup>th</sup> January 2020.
  - Contract start date 1<sup>st</sup> September 2020.

HR Support for Key Priorities

12. A small central team comprising of an experienced Human Resources Business Partner (HRBP), Senior HR Adviser and a Data and HR Support Officer has been established to support the people aspects of the Council's Organisation Change projects. The establishment of this team has been supported by transformation funding.
13. This team, led by a HRBP supports the relevant Senior Responsible Officers to develop proposals, write and roll out consultation frameworks in line with our policies and legislation, liaise with the trade union, provide support to staff and managers during the consultation process, advice relating to assimilation and ringfencing processes, development of appropriate selection processes, supporting redeployment and the implementation of redundancy processes where necessary.
14. An interim HRBP has also been engaged to support the Communities Directorate to work specifically with the Director of Property and Facilities Management. This role is working to resolve a range of complex legacy issues arising from the collapse of Carillion, the bringing back in house of the Capita contract and some second and third generation TUPE transfers. There is significant restructuring required in this area for which a timeline is being developed along with an urgent need to develop a robust workforce plan.
15. A number of interim appointments have been made to stabilise the HR team due to resignations and family leave periods. The appointments have been made within existing HR staff budgets and were necessary to maintain services, provide general capacity within the team to deliver organisation change whilst supporting the process of the HR review.

Cycle Scheme

16. There have been some positive changes achieved in relation to the Cycle Scheme offered to employees by the Council.
17. The Cycle Scheme window is currently open to colleagues just twice a year. This is unnecessarily restrictive and does not make any financial sense from a Council perspective.
18. Members of the OCC HR team have worked alongside Hampshire colleagues, (the administrators of the scheme), to open the scheme to OCC colleagues for 12 months of the year and we are working towards an implementation date of 2 December 2019.
19. The HR team have also identified a route to enable members to purchase bicycles through the offer of a loan scheme like that provided to staff for the purchase of rail and bus season tickets.
20. These changes will enable both staff and members to make a significant contribution to the climate change agenda whilst supporting the health and wellbeing of everyone. Further communication will follow regarding these changes.

Support for senior recruitment and joint appointments

21. The HR team have provided support to the CEO and Members in the appointment of the Corporate Director of Public Health, the Corporate Director of Adults and the Corporate Director for Customers and Organisation Change.
22. The team are currently supporting the recruitment to a number of senior joint roles including Corporate Director - Commercial Development, Assets and Investment, Director of Digital and Customers and the Director of Communications, Strategy and Insight. Other roles include the appointment to the Director of Property and Facilities Management and Deputy Director of Education. OCC is also leading on the joint NHS/OCC appointment of Managing Director (Oxfordshire Integrated Care Partnership).

**Quarter 2 Staffing Data (1<sup>st</sup> July – 30 September 2019)**

Introduction

23. This section provides staffing information relating to staffing numbers, turnover and agency spend along with a Directorate overview.
24. Workforce data and trends are published in more detail on the Council's intranet. This includes a breakdown of staffing numbers and trends over the past five quarters by Directorates and Schools, including temporary and part time employees, turnover and sickness rates along with diversity and salary profiles. This data has been redesigned to provide information by service and includes the spend and use of agency workers.
25. A breakdown of movements by directorate and services is provided at Appendix 1 together with agency spend for the quarter. There have been no significant staffing changes within or across Directorates within the quarter.
26. Staffing numbers have shown a small increase in the past two years much of which relates to transferring staff back in house. Since March 2017, the staff number has increased by 681.91 FTE.
27. Turnover remains below the average for Councils across England.
28. Agency expenditure has increased slightly this quarter within Children's Services which continues to reflect the ongoing difficulty in recruiting and retaining social workers. However, it is important to note that agency staff are often funded through central government grants to support key initiatives and operational delivery.

**Quarter 2 Update**

Staffing

29. The staffing number as at 30 September 2019 was 5021 employees equivalent to 4086.77 FTE including our retained fire service but excluding schools. This represents an increase of 39.38 FTE during the quarter. The workforce is made up of 2742 full time and 2279 part time employees.

Redeployment

30. We remain committed to redeploying staff affected by redundancy however no employees were redeployed during Q2 as there were no staff at risk.

Turnover

31. In Q2 there were 213 leavers across all directorates. Turnover for the quarter has increased overall, across most service areas with the exception of Public Health and Growth. The Council's turnover rate for the last 12 months was 12.1% which remains lower than the mean figure for councils in England of 13.7% (Source: Local Government Workforce Survey June 2018)

Spend on agency workers

32. Agency workers are a critical part of the council's workforce. They can provide a cost effective and flexible solution to cover temporary work demands. The Council has a managed service contract with Commensura which focuses on the provision of temporary agency and interim workers through a central electronic portal to an approved supply chain of compliant tiered agencies.
33. A managed service provides the following benefits:
- Improves oversight of agency spend and trends and helps to improve demand management and the consideration of alternative resourcing solutions
  - Secures the most competitive terms with agencies
  - Grows the supply chain to respond to temporary orders quickly
  - Reduces the time managers spend liaising with agencies and negotiating terms of business
  - Ensures all suppliers understand and comply with council vetting requirements
34. Demand for agency workers is sometimes due to the need to cover hard to fill vacancies such as children's social workers and in these circumstances, can be more costly than direct employment. Measures continue to be taken through recruitment initiatives to keep this number to a minimum.
35. The total spend on agency workers for Q2 was £3,941,570, (2.25% of the annual staffing budget), an increase on the previous quarter of £166,620. Spend across directorates is relatively stable, and in most areas decreasing, except across Children's Services where there has been an increase of approximately £200,000 from the previous quarter. It is important to note that many agency staff are funded from additional monies from central government and from partner organisations to support operational delivery.
36. A breakdown of agency spend is included in Appendix 1 and shows total spend by each Directorate and main service areas. Appendix 2 shows the trend analysis of agency spend per quarter since 2016.

## Directorate Overview

### Communities

37. Infrastructure Delivery has reduced its agency spend as Facilities Management and Property are recruiting to posts previously filled by agency workers. Planning and Place agency use has increased due to the immediate need of the Growth Deal.

### Adult services

38. The agency spend in Commissioning covers both Adults and Children's commissioning activity. The majority of agency use is for vacancy cover (particularly in the care and support brokerage team, where a failure to cover vacancies would result in significant operational issues – both in terms of children not being placed in care, and in terms of impact on hospital flow). All vacancies are currently under active recruitment which will drive the cost for agency down once the individuals are in post.

### Children's Services

39. Covering statutory workers with agency staff has been essential as it has been difficult to recruit and retain social workers. The service managed to drive agency usage down last year but the level of usage is increasing again over the course of this year. There is a Recruitment & Retention strategy in place but the need seems very cyclical. Additionally, demand has risen hugely within our MASH teams (multi-agency safeguarding hub providing front door services) and a team has been created to deal with the backlog, this was made up of agency staff.
40. A number of admin positions within Children's Services have been covered by agency staff but these positions are now being recruited to.
41. The main reason for requesting an agency worker continues to be to cover a vacancy. The top two most frequently requested job categories continue to be qualified social and health care workers and admin, followed by engineering and surveying roles.
42. There has been a decrease in the number of requests for agency staff during Quarter 2, reducing from 309 in Quarter 1 to 253 this quarter. However, there are still several agency staff hired off contract, i.e. outside of the Comensura contract and we are working with DLTs to identify and reduce this number. Hiring agency workers through Comensura has allowed us to negotiate more competitive pay rates, reduces fees to agencies and avoids fees if agency workers take up permanent employment with the Council. The contract also enables us to monitor spend and usage across directorates more effectively and accurately.

## **Conclusion**

43. In readiness for financial year 2020/21, HR will be taking a new approach to HR strategy and this will include the development of a HR dashboard to report a range of HR metrics and key performance indicators. This will continue to be provided quarterly along with a summary of key HR activities.

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**19 November 2019**

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