

CHESHIRE EAST COUNCIL

Staffing Committee

Date of Meeting: 13 July 2017
Report of: Head of Strategic HR
Subject/Title: HR and Health and Safety Update Report

1.0 Report Summary

- 1.1 To update the Committee on progress with the Council's People Plan 2017/18, to include Health and Safety, Human Resource (HR) and Organisational Development (OD) items.

2.0 Recommendation

- 2.1 To note the report and receive feedback.

3.0 Reasons for Recommendations

- 3.1 To ensure Members are kept up to date with HR and OD developments and that the Committee's Terms of Reference are followed.

4.0 Wards Affected

- 4.1 No specific wards affected.

5.0 Local Ward Members

- 5.1 Not applicable.

6.0 Policy Implications

- 6.1 No significant policy issues identified as a result of this update report.

7.0 Financial Implications

- 7.1 No direct financial implications arising from this report.

8.0 Legal Implications

- 8.1 No direct legal implications arising from this report.

9.0 Risk Management

- 9.1 No significant risks identified as a result of this update report. Risks relating to specific matters are dealt with separately.

10.0 WORKFORCE PRIORITIES

10.1 Placing the right people in the right places at the right times, is at the heart of the Council's success. To support and enable the delivery of the Council's ambitious plans, eight strategic workforce priorities come together to form the Council's People Plan 2017/18, which are summarised below:

1. **Organisation Design** – to provide change management support to services, enabling our workforce to be flexible and adaptable in a rapidly changing local, regional and national environment.
2. **Recruitment, Resourcing and Retention** – to review the Council's recruitment process and undertake a strategic workforce assessment. Create career pathway plans including talent management planning across the Council.
3. **Connected Council** – to develop and implement a leadership and management model and development strategy which increases leadership impact and facilitates cultural change.
4. **Employee Development** – to continue to develop highly skilled and competent professionals who operate safe practice and risk awareness and can work effectively across internal and external boundaries as the structure and form of public service changes.
5. **Engagement and Wellbeing** – to continue to build from the findings of the Staff Survey 2016 with particular focus on improving staff wellbeing, resilience and attendance management, to ensure our workforce are engaged and performing at the highest level.
6. **Pay and Rewards** – to monitor and review approaches to pay to meet business needs and further develop financial and non-financial rewards and employee benefits, whilst meeting equal pay and gender pay gap requirements.
7. **Service Delivery** – to further develop and clarify the HR offer to ensure a safe, healthy and supportive environment, which equips the workforce to contribute effectively, reach their potential and put residents first.
8. **HR Business Development** – to ensure the Council's HR service is in the best position to fully support the delivery of business priorities and exploit further business opportunities.

10.2 A copy of the People Plan for 2017/18 is attached at Appendix 1 to this report. The People Plan 2017/18 is derived from the HR service plan which has been agreed by the Chief Operating Officer and outlines the priorities which will be focused on to achieve each objective.

10.3 Staffing Committee is asked to note the People Plan for 2017/18 and to provide any feedback. An update on progress against the People Plan will be provided at the next Staffing Committee meeting reflecting the mid year position.

11.0 STAFFING COMMITTEE UPDATES

11.1 Attendance Management Update

Following the report to Staffing Committee in April 2017, the update below outlines progress to date on actions taken and highlighted for further work:

11.1.1 To audit and review all existing HR policies which impact upon attendance to ensure they meet organisational needs.

The Internal Audit completed in October 2016 highlighted a number of recommendations including an in-depth review of the policy and guidance which has been undertaken to streamline procedures and provide clarity to roles and responsibilities (see paragraph 11.1.3 below). Documentation relating to return to work interviews has been streamlined and the associated retention of documents policy has been reviewed. Further streamlining will take place through automation aligned with the new Best4Business IT system.

In addition, the Audit recommended that training be mandatory and included in the manager's induction programme. Mandatory e-learning for line managers is part of the manager induction programme proposal under development as part of the wider Connected Leadership Strategy. Face to face attendance management briefing sessions for line managers are included in the Corporate Training Programme 2017/2018.

11.1.2 To ensure all agreed HR policies are updated in line with legislative changes.

A revised attendance management policy and procedure is being drafted to include changes recommended by the working group for example merging short term and long term absence management procedures, review of sickness absence triggers and staff / line manager responsibilities. Consultation on the changes will commence in the coming weeks with the trade unions.

11.1.3 To promote the Council's responsibilities to ensure all staff and line managers are aware of their responsibilities in respect of attendance management.

The revised attendance management procedure will include clear responsibilities for staff and line managers.

Further work to promote the individual and line manager responsibilities under the attendance management policy procedures will be communicated following policy revision.

11.1.4 To identify best practice from other organisations.

Work has commenced to connect with private sector organisations and understand how they are tackling absence. Meetings will be arranged during the summer period.

11.1.5 To develop future governance and reporting requirements.

The sickness absence target across the Council has been reduced from 11.14 days in 2016/2017 to 10 days in 2017/2018. The Acting Chief Executive has directed that senior managers all have an objective within their PDRs to reduce sickness absence and emphasised the importance of actively managing absence to all managers within the Council.

Sickness absence continues to be a standing agenda item at Directorate meetings and championed at the most senior level by the Executive Leadership Team. Attendance management is an integral element of the HR dashboard which is updated monthly reviewed at all senior management meetings.

Next steps

- Additional attendance management initiatives will be developed and reported through the People Plan 2017/2018.
- Quarterly reports on attendance management will be reported to Staffing Committee.

11.2 Exit Payments

The Council's voluntary redundancy (VR) terms were last formally reviewed in early 2015 when it was agreed that no change would be made at that time, pending clarity regarding the government's wider review of exit payments across the public sector. It was agreed that a further review would take place during 2017/18.

As background a minimum statutory requirement for redundancy terms is set by the government for employees with more than two years service, which is linked to age and length of service, capped at 20 years service and based on a maximum amount of weekly pay (currently £489). In Cheshire East Council, where a redundancy is deemed to be on a voluntary basis, the scheme currently applies the statutory redundancy terms based on actual weekly pay and an extra payment equivalent to x0.8 of the redundancy payment is made up to a maximum of 50 weeks, which equates to a 1.8 multiplier.

Where a redundancy is deemed to be compulsory, as for voluntary redundancy, the scheme applies the statutory terms based on actual weekly pay, but does not apply the x0.8 multiplier. However, pay in lieu of notice is generally paid where a redundancy is compulsory. This current approach encourages acceptance of VR and therefore reduces compulsory redundancies.

There is evidence that Authorities in the North West have reduced the VR multiplier, and the Council is currently one of the more favourable with the 1.8

multiplier. In addition the Government are reviewing exit payments for Public Sector workers to ensure greater consistency across public sector organisations, taking the view that exit arrangements should be considered in the context of the wider economy. The Government proposes that each department responsible for a particular workforce will devise its own scheme within a framework. Therefore, the Council will have some flexibility to review terms within the defined parameters. It is anticipated the changes will be implemented in stages throughout 2017, although this timeline is uncertain.

Work is underway to review the Council's approach to redundancy, the multiplier used, use of settlement agreements in a redundancy context, governance arrangements, and associated HR Policies. This work will be shared and consulted upon with key stakeholders and the trade unions over the coming months.

11.3 Staff Survey update

Following the staff survey run in June / July 2016 a number of action plans were developed by services in the autumn building from the staff survey findings. The three main areas for improvement across all the action plans has been:

- **Communication** - communication at all levels has been an area of focus including one to one's / supervision, PDR's and team meetings. A number of services have developed focus groups to look at specific issues and ensuring that information has been cascaded effectively has been the focus for one service. Increased visibility of positive feedback received from colleagues, the wider council and residents have become a feature of some team meetings.
- **Engagement** - various forms of engagement events have been held across services including workshops with attendees invited from across teams and levels to whole service events. These have all been well received.
- **Visibility of Managers** - much activity has been seen in this area with senior managers visiting teams, conducting back to floor sessions and attending workshops. One service has conducted "stay in touch meet the manager" sessions which have proved equally beneficial for the staff and the manager. Managers are also working from different locations on a regular basis.

A Staff Survey Governance Group is established to monitor progress from the staff survey comprising of a cross-service group of officers, members and the trade unions. To obtain an insight into progress since the last survey a series of staff survey focus groups are planned during July 2017 to provide a forum for a two-way dialogue to engage staff and seek their views.

Five broad themes will be explored during the focus groups - Leadership and Management, Development and Opportunities, Communication and Engagement, Health and Wellbeing, Culture.

Following the focus groups:

- The summary findings from the focus groups will be shared in September
- Action plans will be reviewed to reflect the outcome of the focus groups
- Further focus groups will be undertaken in January 2018
- The next full staff survey is provisionally planned for June 2018.

11.4 Centrally employed teachers pay progression framework

Proposals have been agreed to implement a new pay progression framework for centrally employed teachers from 1st September 2017. The Council currently directly employs around 40 teachers to deliver specialist statutory services. This includes educational provision to pupils who are unable to attend school due to long term, enduring medical conditions and specialist SEN teachers to provide support to pupil, families and schools in the areas of Autism, Visual Impairments and Hearing Impairments.

Centrally Employed Teachers Pay Progression will be based on performance. Teachers will be able to progress through the pay bands if their manager is satisfied that there is sufficient evidence that they have met the career stage expectations of a teacher within their pay band and evidence that they have met their appraisal objectives.

The framework has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions document and has been consulted on with staff and the recognised trade unions.

12.0 HR PERFORMANCE DATA (Q1) 01.04.2017 – 31.05.2017 - INTERIM

Health and Safety

Quarter 1 INTERIM ACCIDENT & INCIDENT OVERVIEW DETAILS

01.04.2017 – 31.05.2017

	INTERIM	Average Corporate Core employees (Head Count): 3648	Average Schools Employees (Head Count): 3523
Accidents	Employees	30	8
Average Accident Rate Factor (Employees)		0.82%	0.22%
	MOTP ¹	61	22
Incidents	Employees	12	3
	MOTP	65	112
A&I Total		168	145

		Corporate Core	Schools
RIDDOR²	Employees	0	0
	MOTP	0	0
RIDDOR Total		0	0

No RIDDOR reports were made during April and May 2017.

No serious injuries were reported from corporate employees although Tatton Park logged 4 accidents (minor slips, trips and falls).

No serious injuries were reported in schools and although 3 pupils attended hospital for x-rays, no accidents were RIDDOR reportable.

¹ MOTP – Members of the Public

² RIDDOR – The Reporting of Injuries Diseases and Dangerous Occurrence Regulations

13.0 HR PERFORMANCE DATA – part Q1 (01.04.2017 to 31.05.2017 only)

13.1 Headcount/FTE trend (excluding schools, agency workers and casuals)

Date	Headcount	% change from previous year	% change from previous year excluding ASDV TUPE transfers out of CEC	FTE	% change from previous year	% change from previous year excluding ASDV TUPE transfers out of CEC
30 Apr 2009	6,522	n/a	n/a	4891.5	n/a	n/a
30 Apr 2010	6,155	-5.63	n/a	4582.8	-6.31	n/a
30 Apr 2011	5,860	-4.79	n/a	4385.4	-4.31	n/a
30 Apr 2012	5,449	-7.01	n/a	4080.2	-6.96	n/a
30 Apr 2013	5,103	-6.35	n/a	3880.7	-4.89	n/a
30 Apr 2014	4,403	-13.72	-6.87	3232.7	-16.70	-8.28
30 Apr 2015	3,812	-13.42	-1.01	2883.5	-10.80	-0.19
30 Apr 2016	3,763	-1.29	-0.74	2891.7	0.28	1.02
30 Apr 2017	3,623	-3.72	n/a	2835.3	-1.95	n/a
31 May 2017	3,648	n/a	n/a	2859.1	n/a	n/a

Between April 2009 and April 2017, the overall Cheshire East Council employee headcount has reduced by 44.4%, and the overall number of FTE Cheshire East Council employees has decreased by 42.0%. Between April 2014 and April 2017, the overall Cheshire East Council employee headcount reduced by 17.7%, and the overall number of FTE Cheshire East Council employees decreased by 12.3% over the same period; however, as described previously, the larger (>10%) reductions in staffing between both 2013 and 2014, and 2014 and 2015 include staff TUPE transferring to ASDVs. Between April 2016 and April 2017, the overall Cheshire East Council employee headcount has reduced by 3.72%, with the number of FTE Cheshire East Council employees reducing by 1.95% over the same period.

13.2 Employee turnover, by financial year, since 2009-10 (whole Council – excluding schools, agency workers and casuals)

Financial Year / Period	Headcount of all leavers inc. ASDV TUPE transfers	Employee turnover (all leavers, inc. TUPE transfers, as % of all employees)	Headcount of ASDV TUPE leavers (only)	ASDV TUPE transfer employee turnover (ASDV TUPE leavers as % of all employees)	Headcount of leavers minus ASDV TUPE transfers	Employee Turnover discounting ASDV TUPE transfers (ASDV TUPE leavers as % of all employees)	Headcount leavers, excluding ASDV TUPE transfers, resignation (only)	Resignation (only) Employee Turnover (resignation leavers as % of all employees)
2009-10	838	13.2%			838		390	6.2%
2010-11	931	15.5%			931		362	6.0%
2011-12	830	14.7%			830		307	5.4%
2012-13	657	12.5%			657		324	6.1%
2013-14	1019	21.4%	369	7.8%	650	13.7%	354	7.4%
2014-15	1030	25.1%	524	12.8%	506	12.3%	301	7.3%
2015-16	566	14.9%	21	0.6%	545	14.4%	305	8.1%
2016-17	458	12.3%			458		311	8.4%
Apr-May-17	74	2.0%			74		48	1.3%

13.3 Voluntary Redundancy

Two people have left the Council under voluntary redundancy terms in quarter 1 (April-May); both held posts within the management grades (Grade 10 or above). The total severance cost for both employees was £282,310 inclusive of redundancy and actuarial costs. Over the next five years, these reductions are estimated to save the Council over £786,564 (which is the combined accumulated costs of the deleted posts).

Year	Number of voluntary redundancies
2009 - 2010	280
2010 - 2011	399
2011 - 2012	264
2012 - 2013	94
2013 - 2014	124
2014 - 2015	30
2015 - 2016	98
2016 - 2017	22

13.4 Working days lost due to sickness absence:

Financial Year	Calculated days lost to sickness absence per FTE employee – Q1 (Apr-May-June) only unless specified otherwise	Calculated days lost to sickness absence per FTE employee – full financial year
2011-12	2.72	11.67
2012-13	3.10	12.03
2013-14	2.59	11.33
2014-15	2.91	11.97
2015-16	2.61	11.14
2016-17	2.61	11.14
2017-18	April-Jun-17 only: 1.7*	n/a

*: the Council's full quarter 1 (Apr-May-Jun) absence information, BVPI12 measure, will only be available after 30th June 2017.

13.5 HR Casework

The HR Team continues to work with management to resolve concerns at the earliest opportunity. Where these cannot be resolved, formal procedures are used to seek outcomes for the concerns raised. The table below sets out those cases that were considered using formal procedures. There have been no member appeals during April and May 2017/18.

Summary of current formal case work by employee:

	Capability	Disciplinary	Grievance	Dignity at Work	ET
As at June 2015	3	12	3	1	0
As at Sept 2015	4	6	2	0	0
As at Dec 2015	4	2	1	0	1
As at March 2016	5	2	6	1	1
As at May 2016	4	2	3	1	1
As at Sept 2016	4	0	1	1	1
As at Dec 2016	4	6	6	1	0
As at March 2017	6	4	6	1	0
As at May 2017	6	6	7	2	1

Summary of closed formal case work during period.

	Capability	Disciplinary	Grievance	Dignity at Work	ET
April - May 2017	0	1	0	0	0

Summary of new formal case work during period.

	Capability	Disciplinary	Grievance	Dignity at Work	ET
April – May 2017	0	3	1	1	1

14.0 **Access to Information**

The background papers relating to this report can be inspected by contacting the report writer:

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