

Staffing Committee

Date of Meeting: 23 July 2018

Report Title: HR and Health and Safety - Q1 Update Report

Portfolio Holder: Cllr Paul Findlow, Portfolio Holder for Corporate Policy and Legal Services

Senior Officer: Sara Barker, Head of Strategic HR

1. Report Summary

- 1.1 To update the Committee on the development of the Council's People Plan 2018/20, to include Health and Safety, Human Resources (HR) and Organisational Development (OD) items.
- 1.2 The purpose of the report is to ensure Members are kept up to date with HR and OD developments and that the Committee's Terms of Reference are followed.

2. Recommendation

- 2.1 To note the report and provide feedback.

3. 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. Other Options Considered

- 4.1 Not applicable.

5. Background

- 5.1 The Council has ambitious plans for the coming years, developing a compelling vision which recognises the need for change and looks to a new future. In order to meet the challenge of delivering our corporate objectives within a testing financial environment, recognising the expectations of communities and residents regarding meeting their needs and supporting their

aspirations, the Council needs to maintain high quality, responsive services through ensuring staff are innovative, motivated and valued. Our responsibilities to work collectively across service areas, with partners and to empower communities in their own success have never been greater and our approach must equip our staff in their capability, capacity and confidence to deliver positive outcomes.

- 5.2 The purpose of the People Plan 2018/20 is to support the Council's transformation through the Brighter Future Together Whole Organisation Transformation Programme with a specific focus on enabling cultural change. This is a two year plan in recognition of the work and time required to meaningfully embed the cultural change. A copy is attached at Appendix 1 to this report. Staffing Committee Members are asked to note the People Plan 2018/20 and to provide any feedback. A verbal update on progress will be provided at the Staffing Committee meeting.

6 HR POLICY REVIEW

- 6.1 Work is continuing on the next phase of policies and positive discussions have taken place with the Trade Unions in relation to the sickness absence policy in particular. These discussions have led to the development of two separate policies for 'Wellbeing and Sickness Absence' and 'Attendance Management'. Wellbeing and Sickness Absence which have been shared with the trade unions and discussion continues. The main elements included in the policy are:
- Greater focus on wellbeing and inclusion of 'workplace measures to promote wellbeing', i.e. Employee Assistance Programme (EAP), Occupational Health etc.
 - Updates in terms of occupational health, i.e. Council's occupational health provider rather than reference to the OHU/OHU Admin (previous provider).
 - More detail on staff reporting absence, i.e. "contact with your manager should preferably be made by a telephone call and not via text or email" and "if your manager is unavailable, you must contact the next most appropriate person in the department".
 - More flexibility in terms of conducting return to work discussions, i.e. "in some cases, it may be necessary to conduct the meeting by a telephone call where it is not practicable for both parties to meet in a private location within the specified timeframe".
 - Reference to sick pay entitlements and the sick pay scheme.
- 6.2 A draft Capability Policy has also recently been shared with the Trade Unions. Draft policies in respect of Attendance Management, Organisational Change and Leaving the Council will be shared with Staffing Committee in due course.

6.3 The e-learning to support the recently introduced Dignity and Work and associated policies has been launched requiring completion by 30th June 2018. As at the 30th June 2018 completion rates are outlined below:

- Dignity at Work 28% of all staff have completed
- Disciplinary Procedure 61% managers and supervisors have completed
- Grievance Procedure 52% of managers and supervisors have completed

In order to ensure this key learning is completed, further communication with individuals is underway and a verbal update will be provided at the Staffing Committee meeting.

6.4 A guidance pack for discussion of the key learning from these policies within team meetings is in development with team managers of those employees without access to email or e-learning, to be shared by August 2018.

7. NATIONAL PAY REVIEW

7.1 As reported at Staffing Committee on 26th April 2018 the national NJC pay award for 2018/19 has been agreed and implemented. The lowest spinal points 6-19 have been increased to meet the significant national living wage pay gap, making the lowest spinal point £8.50 per hour. Spinal point 20 and above have received a 2.0% pay increase from 1st April 2018. In 2019/20 the two year agreement will gain further headroom over the national living wage increase due in 2019. The bottom spinal point will become £9.00 per hour. In addition, the bottom twelve pay scales will be merged into six new points. 2% increases will be applied from new spinal point 23 onwards. This pay award has superseded the Council's Local Living Wage.

7.2 The National Employers made a revised final pay offer for Chief Officers to the trade unions of 2% from 1st April 2018 and 2% from 1st April 2019 which has yet to be agreed by the Trade Unions.

8. MUTUALLY AGREED RESIGNATION SCHEME

8.1 The Mutually Agreed Resignation Scheme (MARS) policy was approved by Cabinet in February 2018. MARS is a scheme which will help the Council to meet its financial challenges, including management costs and workforce reductions, service redesign, and other efficiency needs. The scheme forms part of a suite of policies and procedures that allow staff to leave the organisation. However, it is not linked to statutory schemes such as redundancy or the Local Government Pension regulations.

8.2 The window for applications from interested staff opened on 19 March 2018 and closed on 16 April 2018. Letters were sent to applicants to advise the

outcome of their application on the 31 May 2018. A total of 96 applications were received which represents 2.5% of total council employees. 6 applicants withdrew their application after submission and a further four could not proceed as they were not eligible. Of the 86 applications that were eligible to proceed, 32 were approved representing 37.2% of those eligible. Subsequently 4 applicants have declined the offer made, resulting in 28 employees leaving the council through MARS on 30th June 2018.

8.3 As a consequence, savings to be achieved by the Council through MARS over two years are summarised below. Cheshire West and Chester have agreed to meet half the payment cost of shared service staff which is reflected in the figures below:

	CEC	CWAC	Totals
2018/19 (Part Year)			
- Total Salary Savings	-£641,474	-£110,230	-£751,703
- Retained by Services	£229,355	£33,069	£262,424
2018/19 Budget Saving	-£412,119	-£77,161	-£489,280
2018/19 MARS Payments	£289,927	£48,593	£338,520
Total Impact 2018/19	-£122,192	-£28,568	-£150,760
2019/20 (Full Year)			
- Salary Savings	-£855,298	-£146,973	-£1,002,271
- Retained by Services	£305,806	£44,092	£349,898
2019/20 Budget Saving	-£549,492	-£102,881	-£652,373

9. EDUCATION HR CONSULTANCY

9.1 An improved package is being offered to schools and academies for 2018/19 recognising the increasingly competitive market within which the Council is offering the buy-back of Education HR Consultancy Services.

9.2 A verbal update on buy-back from schools and academies for the new academic year will be provided at the Staffing Committee meeting.

10.0 STAFFING COMMITTEE TERMS OF REFERENCE

10.1 Following the recent changes to the Council's constitution, on reflection some minor amendments are being made to the Terms of Reference for Staffing Committee as outlined below to provide greater clarity:

- para 47 "To make recommendations to Council in relation to decisions affecting the remuneration of any new post whose remuneration is or is

proposed to be or would become £100,000 p.a. or more, **unless the remuneration for the post is already included within the Council's annually approved Pay Policy Statement.**” Reference to the Pay Policy Statement in bold to be removed as the Pay Policy Statement does not provide the remuneration for each post.

- para 44.5 “The purpose of the Staffing Committee is ... to approve “in year” salary or other benefit increases to the Head of Paid Service provided that this is within the agreed annual Pay Policy”. The words “**excluding national agreements**” to be added recognising that annual cost of living pay rises are by collective agreement.

10.2 These minor amendments will go forward to the Constitution Committee on 20th September 2018.

11.0 HEALTH AND SAFETY April & May 2018 (01.04.18 to 31.05.18)

11.1 Accident & Incident Summary Data

Total number of RIDDOR Accident / Incidents

Reporting Period	No. of Accidents & Incidents on PRIME	No. of RIDDOR Reports
Q1 – Q4: 2013-2014	6271	113
Q1 – Q4: 2014-2015	4969	93
Q1 – Q4: 2015-2016	3496	22
Q1 – Q4: 2016-2017	3520	15
Q1 – Q4: 2017-2018	2718	18

Q1: 2018 – 2019 Accidents & Incidents INTERIM: 04-05.18			
Corporate Core	RIDDOR ¹	Schools	RIDDOR
238	1	107	0

11.2 Accident & Incident April 2018 Summary

		Corporate Core Employees (average head count):3587	Schools Employees (average head count): 3220
Accidents	Employees	8	4
Average Accident Rate Factor (Employees)		2.2%	1.2%
	MOTP ²	54	21
Incidents	Employees	2	0
	MOTP	39	0
A&I Total		103	25

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

¹RIDDOR – The Reporting of Injuries Diseases and Dangerous Occurrence Regulations

² MOTP – Members of the Public

There were no RIDDOR reportable accidents or incidents in the Corporate Core or in Schools during April 2018.

There were no incidents or accidents involving the HSE in April 2018.

11.3 Accident & Incident May 2018 Summary

		Corporate Core Employees (average head count): 3589	Schools Employees (average head count): 3216
Accidents	Employees	18	13
Average Accident Rate Factor (Employees)		5%	4%
	MOTP	50	67
Incidents	Employees	13	0
	MOTP	54	2
A&I Total		135	82

		Corporate Core	Schools
RIDDOR	Employees	1	0
	MOTP	0	1
RIDDOR Total		1	0

The RIDDOR reportable accident within the corporate core in May 2018 involved an employee who fell, hurting her ankle whilst in a service-users garden. The employee was incapacitated for more than 7 days.

The RIDDOR reportable accident in the schools involved a parent/volunteer working in the school garden. The parent/volunteer put her foot into a small hole and sustained a fractured ankle, requiring hospital treatment.

11.4 Corporate Health and Safety Training Programme Interim 01.04.18 – 31.05.18

65 courses were delivered to CEC and School staff during April and May 2018 – to 35 Corporate employees and 30 School employees:

NO. OF COURSES	COURSE	ATTENDEES
1	Emergency First Aid at Work (1 day)	3 1 Corporate 2 School
1	HSE First Aid Refresher (half day)	10 7 Corporate 3 School
1	Caretaker's Course (1 day)	12 1 Corporate 11 School
1	Defibrillator Training / Annual Refresher Course (2 hour)	11 Corporate
1	First Aid Re-qualification course (2 day)	8 7 Corporate 1 School
2	PRIME Accident Reporting training (half day)	17 8 Corporate 9 School
1	IOSH Managing Safely (4 days)	4 School
8	TOTALS	65 35 Corporate 30 Schools

12. HR PERFORMANCE DATA – April & May 2018 (01.04.18 to 31.05.18)

12.1 Headcount & FTE (Excluding schools, agency workers and casuals)

Date	Headcount	Change from Previous Year (%)	Change from previous year excluding ASDV TUPE Transfers (%)	FTE	Change from Previous Year (%)	Change from previous year excluding ASDV TUPE Transfers (%)
30 Apr 2012	5,449	-7.01	NA	4080.2	-6.96	NA
30 Apr 2013	5,103	-6.35	NA	3880.7	-4.89	NA
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	NA	2835.3	-1.95	NA
30 Apr 2018	3,587	-0.99	NA	2824.5	-0.38	NA
31 May 2018	3,589	NA	NA	2825.1	NA	NA

Between April 2012 and May 2018, the overall Council employee headcount has reduced by 34.1% and the overall number of Council FTE employees has decreased by 30.8%. Between April 2014 and May 2018, the overall Council employee headcount reduced by 18.5%, and the overall number of Council FTE employees decreased by 12.6% over the same period. However, as described previously, the larger (>10%) reductions in staffing between both 2013-14 and 2014-15 include staff TUPE transferring to ASDVs. Between April 2017 and May 2018, the overall Council employee headcount has reduced by 0.9%, with the number of FTE employees decreasing by 0.4% over the same period.

12.2 Leavers & Turnover (Excluding schools, agency workers and casuals)

Financial Year	Overall Headcount of Leavers	Overall Employee Turnover (%)	Headcount of Leavers without TUPE Transfers	Turnover without TUPE Transfers (%)
2009-10	838	13.2	838	13.2
2010-11	931	15.5	931	15.5
2011-12	830	14.7	830	14.7
2012-13	657	12.5	657	12.5
2013-14	1019	21.4	650	13.7
2014-15	1030	25.1	506	12.3
2015-16	566	14.9	545	14.4
2016-17	458	12.3	458	12.3
2017-18	402	11.1	391	10.8
April – May 2017	74	2.0	74	2.0
April – May 2018	53	1.5	47	1.3

The table above shows the cumulative headcount of leavers during April and May 2018, including employees who TUPE transferred to ASDVs. There are noticeably fewer leavers over the same period, falling from 74 in 2017 to 53 in 2018. This is reflected in the overall employee turnover rate of 1.5% during the first two months of 2018-19, which is less than for the same period in 2017-18. If TUPE transfers are analysed separately, there were 47 leavers due to other reasons which are summarised below. This is significantly lower than 74 in April and May 2017 because there were no TUPE transfers during that period. The corresponding turnover rates for all other leaving reasons are therefore 1.3% in 2018 compared to 2.0% in 2017.

There were 40 resignations during April and May 2018 and this remains the most common leaving reason. This figure is lower than for the same period in 2017-18, although the turnover rate as a result of resignations is similar. The figures below do not yet account for MARS applications.

Financial Year	Resignation Headcount	Employee Turnover by Resignation (%)
2009-10	390	6.2
2010-11	362	6.0
2011-12	307	5.4
2012-13	324	6.1
2013-14	354	7.4
2014-15	301	7.3
2015-16	305	8.1
2016-17	311	8.4
2017-18	287	8.0
April – May 2017	48	1.3
April – May 2018	40	1.1

The distribution of leaving reasons has been broadly categorised below; the 'Unsatisfactory' category relates to employee performance, capturing those who left following an unsatisfactory probation period, gross misconduct, or disciplinary action. The 'Other' category here reflects leavers as a result of mutual termination or death.

Leaving Reason	Headcount	Proportion of all Leavers (%)
Resignation	40	75.5
Retirement	3	5.7
Redundancy	0	0
End of Contract	2	3.8
Unsatisfactory	1	1.9
Other	1	1.9

12.3 Redundancy

One person has left the Council under voluntary redundancy terms in April and May 2018. The total severance cost was £47,094 inclusive of redundancy and actuarial costs. Over the next five years, this reduction is estimated to save the Council over £120,452.

Year	Number of voluntary redundancies	Number of compulsory redundancies
2009 - 2010	280	0
2010 - 2011	399	0
2011 - 2012	264	4
2012 - 2013	94	2
2013 - 2014	124	4
2014 - 2015	30	0
2015 - 2016	98	1
2016 - 2017	22	1
2017 - 2018	22	1
April - May 2018	1	0

12.4 BVPI 12: Days Lost to Sickness Absence per FTE Employee

Financial Year	Cumulative Absence at the end of Q1	Full Year Absence Rate
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	2.50	11.18
April – May 2017	1.70	11.18
April – May 2018	1.69	NA
June 17 – May 18	NA	10.98

The table above shows the absence rate for Cheshire East Council during April and May 2018. This can be compared with the figure for April and May 2017, and it would appear absence rates are level with 2017-18 at the same point in the 2018-19 financial year. A second figure has been provided to monitor absence continuously over 12 months; between 1st June 2017 and 31st May 2018, the overall Cheshire East absence rate is 10.98. This shows a positive indication in comparison to generally consistent absence rates since 2011-12 and the rate of 11.18 between 1st

April 2017 and 31st March 2018 and absence may have fallen slightly during the first two months of 2018-19. Additional detail on this key topic is provided in the form of a separate attendance management report.

12.5 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 through HR formal procedures. There have been no member appeals during April and May 2018.

Summary of current formal case work by employee:

	Capability	Disciplinary	Grievance	Dignity at Work	ET
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
As at Sept 2017	4	4	8	0	2
As at Dec 2017	4	6	6	1	3
As at March 2018	0	8	7	1	4
As at May 2018	0	6	8	0	3

Summary of closed formal case work during period by employee:

	Capability	Disciplinary	Grievance	Dignity at Work	ET
June – Sept 2017	3	5	5	1	0
Oct – Dec 2017	0	3	5	0	0
Jan – Mar 2018	0	4	5	0	0
April – May 2018	0	5	1	1	1

Duration of closed cases April – May 2018

Type of Case	No of weeks to conclude cases							
	0- 4	5 – 8	9 – 12	12 – 16	17- 20	21 - 24	25- 28	29 - 32
Disciplinary	0	1	2	2	0	0	0	0
Grievance	0	0	0	1	0	0	0	0
Dignity at Work	0	0	0	0	0	0	0	1
ET (withdrawn)	1	0	0	0	0	0	0	0

Summary of new formal case work during period by employee:

	Capability	Disciplinary	Grievance	Dignity at Work	ET ¹
June – Sept 2017	0	3	6	0	1
Oct – Dec 2017	0	5	3	1	2
Jan – Mar 2018	0	3	2	0	0
April – May 2018	0	3	2	0	0

ET - Employment Tribunal

13. Implications of the Recommendations

13.1 Legal Implications

13.1.1. No direct legal implications arising from this report.

13.2 Financial Implications

13.2.1 No direct financial implications arising from this report.

13.3 Equality Implications

13.3.1 There are no direct equality implications.

13.4 Human Resources Implications

13.4.1 Implications are dealt with in the body of the report.

13.5 Risk Management Implications

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

13.6 Rural Communities Implications

13.6.1 There are no direct implications for rural communities.

13.7 Implications for Children & Young People

13.7.1 There are no direct implications for children and young people.

13.8 Public Health Implications

13.8.1 There are no direct implications for public health.

14. Ward Members Affected

14.1 No specific wards affected.

14. Access to Information

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

16. Contact Information

16.1 Any questions relating to this report should be directed to the following officer:

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