CHESHIRE EAST COUNCIL

Staffing Committee

Date of Meeting: 23rd October 2014
Report of: Phil Badley, Interim Head of HR
Subject/Title: HR and Organisational Development

1.0 Report Summary

1.1 To update the Committee on progress with Human Resource and Organisational Development (OD) items.

2.0 Recommendation

2.1 To note the report.

3.0 Reasons for Recommendations

3.1 To ensure Members are kept up to date with HR and OD developments and that the newly adopted 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 risks identified as a result of this update report. Risks relating to specific issues will be dealt with separately.

7.0 Financial Implications

7.1 No direct implications arising from this report.

8.0 Legal Implications

8.1 No direct 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 issues will be dealt with separately.

10.0   Organisational Development

10.1   **Staff Survey 2014**

Work continues on taking forward actions to build on the findings of the staff survey run earlier this year. The outline work programme in Appendix 1 recognises that there are many factors which contribute to building an engaged workforce. The key is to ensure all employees understand, live and consistently experience the Council values as well as an effective communications strategy to allow upward, lateral and downward communication and engagement. The aim being to ensure all employees feel valued, connected and their comments on suggested improvements/problems are actioned. The work programme includes a range of manager and corporate actions which are underway and ongoing as well as a programme of further engagement activities planned over the next 12 months.

10.2   **Our Values and Behaviours**

Following the recent launch of our Resident's First values, a framework of behaviours defining our values in action has been developed for managers and staff to be used in a range of people processes, for example, performance development, performance management, recruitment and progression. To support the launch of the behaviours a series of behaviours and performance workshops are being run for managers, team leaders and supervisors to enable them to engage and explain to their teams.

10.3   **Making a Difference – Employee Recognition**

The recently launched Making a Difference Employee Recognition Scheme has got off to a great start. During the first two months we have had a very positive response to the nominations for employee and team of the month. In addition, more than 50 "made my day" instant recognition acknowledgements are being sent to colleagues within and outside of the Council each month. Preparations are now under way for the celebratory event in December where employee, team and manager of the year will be announced, alongside a special members choice award.

10.4   **Coaching for Innovation, Change and Performance**

Recognising that the world of work is complex, constantly changing and placing increasingly tough demands on all employees, leaders and managers who need a broad portfolio of management and leadership tools and techniques to do their job effectively. Coaching is a particularly powerful tool that has proven to be a highly effective way of developing

individual and organisational performance by unlocking capability, building confidence and increasing ownership.

A "Coaching for Innovation, Change and Performance" development programme has recently been piloted involving a mix of managers from senior managers through to team leaders. Feedback from the pilot has been very encouraging and early indications are showing that taking a coaching approach is having a positive impact in terms of increased ownership, making breakthroughs on issues and releasing potential.

11.0 HR Policies

11.1 Leave and Time Off Policy (Amended) (Foster Carers)

The Leave and Time off Policy is being amended to also assist employees who are Foster Carers to take paid time off work (up to 5 days). This will help the foster child/children to settle into their new environment, and will assist Foster Carers to attend appointments with professionals. This policy amendment supports the Council's pro-active approach to Foster Caring across the Borough.

12.0 Voluntary Redundancies

12.1 The Council's voluntary redundancy scheme continues to support organisational change and the delivery of the planned programme of change in the Council Plan. The effective use of voluntary redundancy in this way enables the Council to achieve its planned savings and efficiencies and also helps to maintain good employee relations within the Authority and minimises the prospect of compulsory redundancy.

12.2 Twelve people have left the Council under voluntary redundancy terms in Quarter 2, six of whom held posts within the management grades (Grade 10 or above). The total severance costs, for all twelve employees were £440,300, inclusive of redundancy and actuarial costs. Over the next five years, these reductions are estimated to save the Council over £2,775,630 (which is the combined accumulated costs of the deleted posts).

13.0 Workforce Development and Apprentices

13.1 Towards Excellence Training Programme
Provision of 200+ blended learning sessions to ensure employer responsibilities met, including all statutory requirements (Fire, Health & Safety and Equality & Diversity) and mandatory requirements (data protection, safeguarding & risk management) continues for all CEC employees, ASDVs and Private, Voluntary and Independent (PVI) sector (4000 + delegates).

13.2 Virtual College
Delivery of City & Guilds accredited vocational courses in Health and Social Care, Business Administration and ATE (Adult Teaching) continues to

support mainly Adult Services with Level 2, 3 & 4 qualifications (200 delegates).

13.3 **CEC Management Institute of Excellence**
Nationally recognised qualifications: Creation of 4 cohorts of ILM Nationally recognised qualifications delivered to CEC employees at level 3 for "Aspiring" and newly appointed managers, level 5 for experienced managers and *Leading ladies* cohort to promote specific management roles for women and highlight equal opportunities within CEC and liaising with MMU to enhance the qualification with specific Children Social Care Management requirements (150 delegates).

Business management programme of workshops and networking events available to all CEC managers looking to improve commerce and enterprise skills.

13.4 **Professional Development Academy**
Supporting undergraduate students in statutory practical experience environments during university course / study.

Providing internship opportunities for university graduates seeking long term employment.

Ensuring all graduate employees receive adequate support in their first CEC role.

Addressing all regulatory professional body requirements for social workers, Approved Mental Health Practioners (AMHP), occupational therapists and educational psychologists. Designing accredited workshops and conferences in conjunction with principal managers, visited by England's Chief Social Worker and selected for inclusion in her annual address.

13.5 **Apprentices & Work Experience Programme**

The Council is providing 200+ work experience sessions for young adults and school children and arranging 50 apprenticeship pathways for school and college leavers into employment.

14.0 **Education HR Consultancy**

14.1 The consultancy has launched two levels of service from September 2014, Gold and Silver with the Silver Service having a limit on the amount of time that can be spent providing on-site support to schools and academies. The Gold Package retains the no limit for on-site support 104 schools have chosen to buy back the Gold Package and 32 have chosen the Silver Package. Total buy back this year equates to 90% which represents a slight reduction on last year due to a number of Primary Schools joining Multi Academy Trusts which provide HR support.

14.2 The team has updated or developed numerous model policies for schools and academies over the past 12 months including Model Pay Policy for Teachers and Support Staff, Support Staff Appraisal Scheme, Management Guidance on Restructuring and Redundancy.

14.3 Policies and Procedures currently being developed include Recruitment and Selection incorporating Safe Recruitment, Whistleblowing, Leave of Absence, Parental Leave, Capability Procedure for Support Staff.

14.4 In addition, the team has been commissioned to deliver Performance Related Pay Training for Governors and has also developed and delivered training events for Headteachers and other school/academy based managers, this area of the business has increased over recent years and this is predicted to continue.

15.0 HR Policy Review

15.1 A Working Group was established comprising: Cllr Barry Moran, Portfolio Holder, Cllr Roland Domleo, Chairman of Staffing Committee, Julie Davies, the then Head of People and OD, Scott Hopper, HR Strategy Manager. to carry out an end-to-end review of the Council's disciplinary policy and procedure to ensure that the Council's Disciplinary policy and procedure is fit for purpose and suitable for the ongoing and changing needs of the Council. The review included the following Council policies and procedures: Disciplinary, Dignity at Work, Whistle blowing, Code of Conduct.

15.2 An external advisor was commissioned to support the review of the policies and propose amendments to the working group. Internal legal advice has been taken during the process of review.

15.3 The review has recommended changes which are now being consulted with the Corporate Leadership Board and the recognised Trades Unions prior to implementation. The changes are summarised as follows:

Disciplinary Procedure

- Enable management to appoint external specialist investigator as necessary, but in particular in relation to alleged sexual abuse or assault.

- In cases of alleged sexual abuse or assault enable the Manager responsible for the case to appoint an external expert as chair, to act as an advisor to the officer panel, and support to responsible manager in reaching a conclusion in relation to the allegations and the sanctions.

Dignity at Work

- The Dignity at Work procedure has been merged with the grievance procedure to enable flexibility, and avoid duplication in process. The process itself is fundamentally unchanged with the exception that the investigators report will in future be disclosed in full to the complainant.

- The revision renames the process the Grievance and Harassment Procedure.

- A revised Grievance and Harassment Policy document has been produced to align the two procedures.

<u>Whistle blowing Policy</u>

- As a result of this particular review no changes were recommended.

<u>Officer Code of Conduct</u>

- As a result of this particular review, no changes were recommended.

15.4   An update on implementation will be provided to the next Staffing Committee meeting.

15.0 HR Performance Data

FTE by Directorate – Quarter 2 14-15 (July-August-September 2014):

Directorate/Service	Employee FTE Jul-14	Employee FTE Aug-14	Employee FTE Sep-14
Public Health	15.5	15.5	15.5
Media (Communications and PR)	12.0	12.0	11.0
Strategic Commissioning	2119.9	2121.2	2114.2
Adults Social Care & Independent Living	868.6	872.9	869.0
Children's Services	750.1	752.5	753.0
Commissioning and Client Support ⌂	53.1	52.1	54.7
Communities	447.1	442.7	436.4
Chief Operating Officer	516.7	518.4	515.2
Commissioning	42.5	42.5	44.5
Corporate Resources and Stewardship	289.2	287.0	285.2
Democratic Services and Governance	60.5	61.5	58.5
Legal Services	36.0	37.1	37.1
People and OD	52.2	54.9	51.3
Apprentices / Graduate Trainees	35.4	34.4	37.7
Economic Growth & Prosperity	292.1	297.8	297.7
Assets	29.5	29.5	28.5
Investment	74.4	75.5	76.8
Strategic and Economic Planning	100.2	100.3	100.8
Strategic Infrastructure	9.0	9.0	9.0
Visitor Economy, Culture and Tatton Park	78.0	82.5	81.5
Cheshire East Council Total	**2957.2**	**2965.9**	**2954.5**

*****: Employees with multiple assignments across services will appear in the headcount figures for each service, but will be counted only once in the total (CE) headcount figure. ⊓: Includes Integrated Safeguarding – not included in Adults Social Care to avoid double counting. ⌂: Includes PROW, Countryside and PATROL.

FTE by Directorate – Quarter 2 13-14 (July-August-September 2013):

Directorate/Service	FTE		
	Jul-13	Aug-13	Sep-13
Places	1461.8	1449.5	1437
Children's Services	788	786.3	774.5
Adults	1009.6	1005.3	998
HR & OD	42.2	42.2	42.2
Apprentices	49.2	44.2	41.1
Finance	230.4	232.4	228.6
Legal and Democratic Services	84	83.5	84.9
Shared Services	136.2	133.6	133.2
Total	**3801.4**	**3777**	**3739.5**

The new Oracle HR Organisation Structure was implemented within Oracle in September 2014, the FTE/Headcount and Absence figures presented are no longer directly comparable between financial years; the FTE by Directorate information for 2013-14 is presented in the old Directorate/Service groups, whilst the 2014-15 information is presented in the new Directorate/Service groupings.

Headcount/FTE trend (whole council – excluding schools and casuals)

Date	Headcount	% change from previous year	FTE	% change from previous year
30 Apr 2009	6,522	n/a	4891.5	n/a
30 Apr 2010	6,155	-5.63	4582.8	-6.31
30 Apr 2011	5,860	-4.79	4385.4	-4.31
30 Apr 2012	5,449	-7.01	4080.2	-6.96
30 Apr 2013	5,103	-6.35	3880.7	-4.89
30 Apr 2014	4,403	-13.72	3232.7	-16.70
Date	Headcount	% change from previous month	FTE	% change from previous month
28 Feb 2014	4,853	n/a	3652.1	n/a
31 Mar 2014	4,828	-0.52	3631.4	-0.57
30 Apr 2014	4,403	-8.80	3232.7	-10.98
31 May 2014	3,960	-10.06	2951.8	-8.69
30 Jun 2014	3,960	0.00	2952.5	0.02
31 Jul 2014	3,960	0.00	2957.2	0.16
31 Aug 2014	3,976	0.40	2965.9	0.29
30 Sep 2014	4,011	0.88	2954.5	-0.38

Between April 2009 and September 2014 the Cheshire East employee headcount (excluding schools and casuals) has reduced by 38.5% (a 39.5% reduction in FTE employees); between July and September 2014 the employee headcount has however increased by 1%, with the largest increase

(5.5%) in headcount occurring within Children's Services, resulting predominantly from the recruitment of Kitchen Assistants in Education and Catering Services at the start of the new school year.

On 1st April 2014, 351 employees (334 FTE) TUPE transferred to ANSA and 24 employees (23.8 FTE) TUPE transferred to Orbitas. On 1st May 2014, 693 employees (193.3 FTE), including casuals, TUPE transferred to ESAR and 106 employees (100.7 FTE) TUPE transferred to CoSocius.

Leavers – Quarter 2 14-15 (July-August-September 2014):

Reason for leaving	Headcount of leavers
Resignation	83
Retirement (Normal Retirement – 60/65, Early Retirement – Request, Late Retirement – Over 65, Ill Health Retirement with Benefits)	12
Voluntary Redundancy	11
End of Fixed Term/Contract without Benefits	2
Disciplinary	2
Mutual Termination	3
TUPE Transfer	1
Total	**114**

Excluding TUPE transfer staff, the Cheshire East staff turnover between July and September 2014 *(only)* was 2.84% (113 leavers divided by 3982 (average) headcount). 72.8% of all leavers during Q2 in 2014-15 left as a result of resignations, 10.5% due to retirements and 9.6% Voluntary Redundancy. **Please note:** these figures reflect reasons for leaving recorded in the Oracle employee database.

Working days lost due to sickness absence

Figures for absence are *(calculated)* days lost to sickness absence per FTE employee

Cumulative Absence - year to date figure:

Period	July	August	September
Q2 2014-15	3.79	4.63	5.58
Q2 2013-14	3.49	4.35	5.26

Absence within month:

Period	July	August	September
Q2 2014-15	1.05	0.91	1.00
Q2 2013-14	0.92	0.94	0.97

Over the second quarter in 2014/15 the cumulative average days lost to sickness was slightly higher than the previous financial year.

HR Casework

Summary of formal case work figures for July-September 2014

	Capability	Disciplinary	Grievance	Dignity at Work
Ongoing cases in progress continued from previous quarter	4	9	1	0
New cases opened this quarter and in progress	1	8	5	3
Cases closed this quarter	1	7	0	1

Note: Capability – as managers may start this process independently HR may not have every case recorded, unless there are complexities/sensitivities.

16   **Access to Information**

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

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Employee Survey 2014 - Work Programme

Areas for improvement	Activities underway / ongoing	Outline proposals and timeframes
Leadership engagement	- CEX First Anniversary report - Manage by walking about - Service led forums, events and roadshows - Trade union meetings	- Staff conferences - **Nov/Dec annually** - Leadership conferences – **May / June annually** - Senior manager 360 degree feedback – **pilot / rollout 2015**
Involvement & feeling valued	- Making a Difference recognition scheme - Supervision and PDRs - Management practices. - Business improvement (lean) programme - Staff suggestion scheme - First values and behaviours launch - Manager as coach - Employee assistance programme - Stress and resilience working group	- Re-launch staff suggestion scheme – **tbc** - Dragons Den – **tbc 2015**
Cross team working	Project / collaborative working across the Council	- Manager forums – **pilot Q1 2015** - Thematic groups staff conference - **Nov/Dec 14**
Reward and career development	- Towards excellence development programme - Management institute of excellence programme - Festival of learning - Skills and qualifications audit / profile - Learning Lounge upgrade - Range of flexible working practices - Range of employee benefits - Performance related pay senior managers	- Total rewards strategy – **2015** - Employee benefits platform - **tbc** - Introduction talent reviews and succession planning – **Q2/3 2015** - Leadership talent programmes – **Q2/3 2015** - Career development portal – **Q2/3 2015** - Individual coaching and mentoring offer – **Q2/3 2015** - Agile working project - **2015/16**
Morale and future	- Team talk and team talk back - Service communications	- Internal communications strategy - **tbc** - Mini employee survey **early 2015**

Principles
- Build on strengths
- Manager ownership and practice is key
- Focus as much on leveraging ongoing activities as new ones
- Activities will impact across a number of areas for improvement
- First values and behaviours underpin building employee engagement

Keeping our finger on the pulse
- Re-run mini survey in New Year
- Re-run full survey 2016