

PERSONNEL COMMITTEE

15th JULY, 2004

PERSONNEL DEPARTMENT – OUTTURN REPORT 2003/04

REPORT OF THE DIRECTOR OF PERSONNEL

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RECENT REFERENCES:

PER 67 Personnel Department Performance Monitoring 8th March 2004

PER 68 Personnel Department Business Plan, 2004/05, 8 March 2004

EXECUTIVE SUMMARY:

This report sets out the actual expenditure for 2003/04 for Personnel services falling within the responsibility of this Committee. The budget variance for these services as detailed in Appendix 1 totals £9,557 which is approximately 1.8% of the net budget. Explanations of the variances are given in the report.

The report contains a summary of the Personnel Department's achievements against the targets set out in the Personnel Business Plan 2003/04 and the Performance Indicators for 2003/2004. The ongoing work that has been carried out in some objectives will be continued in the next year and beyond.

RECOMMENDATIONS:

1. That the outturn figures 2003/04 for Personnel Department be noted.
2. That the performance information given in the report be noted.

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REPORT OF THE DIRECTOR OF PERSONNEL

DETAIL:

1 Introduction

- 1.1 This report sets out the actual expenditure for 2003/04 for this committee's services coming under the responsibility of the Director of Personnel.
- 1.2 Appendix 1 to the report gives a summary of actual expenditure showing variances from the working budget. Significant variances are detailed below.
- 1.3 More detail of the services can be found in the Budget Book 2004/05 on pages 3.1 to 3.6.

2 Significant Variances

- 2.1 Appendix 1 shows the net cost of services against the working budget with an overall variance of £9,557. Significant variances between actual expenditure and the working budget, as detailed in the Appendix, include the following:
- 2.2 Service and Subjective Budget Heads – Appendix 1
 - Line (a), j) and m) Consultancy and software maintenance savings offset by advertising for staff. Advertisements have been placed in various ethnic minority and disability publications to promote Winchester City Council as an employer seeking a wide diversity of staff.
 - Line d) and j) Recruitment expenses and staff welfare higher than expected due to an increase in criminal checks and an increase in occupational health referrals. The increase in occupational health referrals is linked to the implementation of the Sickness Absence Management policy. There has been a significant reduction in the number of days lost due to sickness absence during this period which has resulted in saving and benefits across the Council.
 - Line g), and r) Recharges higher than budget to allocate out all expenditure

3 Managed Savings Carried Forward

- 3.1 There are no managed savings to be carried forward.

4. Performance Indicators

- 4.1 The Corporate Health Indicators and the local performance indicators covering the period April 2003 to March 2004 are shown in Appendix 2. There are some changes in the Corporate Health Indicator information. The number of women in the top 5% of earners has increased. However, this relates to the way in which the indicator is calculated and does not reflect an actual change in the numbers of women employed in those jobs. The method of calculation means that this indicator may fluctuate in the future depending on turnover and organisational change.
- 4.2 The Corporate Health Indicators show that the number of ethnic minority staff employed in the top 5% of earners has also reduced as a member of staff previously included no longer meets the required definition for this BVPI.
- 4.3 Turnover has not been included this year as a BVPI, but has been retained as a local indicator as it provides useful information on the stability of the organisation. Turnover has remained stable at around 10.7% which is lower than the national average which currently sits at 11.2% (Labour Turnover 2003 – CIPD)
- 4.4 There has been a significant decrease in the number of days sick per member of staff, reducing from 11.86 last year to 9.6 this year. This is against a national average for Local Government of 11.5 days per employee (CIPD). This reflects the introduction of the Policy for the Management of Absence in September 2003 and the associated training for managers.
- 4.5 Detailed reporting shows that whilst approximately a quarter of the reduction is due to the resolution of some long term absence cases, the majority is due to the reduction in short term absence at a time when sickness absence tends to increase due to seasonal factors.
- 4.6 The local performance indicators show a significant decrease in the number of long term sickness cases. This relates partly to the resolution of a number of long term absence cases and partly to a change in the way in which this indicator is calculated. The indicator previously recorded any employee who had 40 days or more absence. In order to ensure that the indicator reflects long term absence, this has now been calculated as 40 consecutive days absence.
- 4.7 There has been a significant increase in the number of referrals to Occupational Health which reflects the introduction of the Policy for the Management of Absence.
- 4.8 The local performance indicators show a reduction in the number of disciplinary cases investigated and formal grievances raised.
- 4.9 As reported to this Committee during the last year, the number of posts evaluated using the NJC job evaluation scheme has increased on the previous year. This reflects new posts being evaluated and regrading requests following significant changes to posts. It also includes the remaining original appeals being heard at all levels following a deadline for submissions to a panel being set during this period.

5. Equal Opportunities Monitoring

- 5.1 Appendix 3 shows the breakdown by gender, disability and race of current staff within the Council. The figures show a slight increase in the percentage of female staff employed from the last report (PER67 refers) and an increase in staff who have declared themselves disabled. The staff from minority ethnic groups has remained constant and reflects the ethnic make up of the local community.
- 5.2 Appendix 4 shows a breakdown by gender, disability and race of applications received, applications shortlisted and those appointed. The information shows an increase in the total number of candidates appointed to vacant posts from the previous year. A total of 106 posts were advertised in 2002/03 compared to 112 in 2003/04. A total of 19 posts advertised in 2002/03 were not filled during that period and were re-advertised in 2003/04. A total of 8 posts were advertised in 2003/4 and not filled during that period. Appendix 5 gives information relating to these posts and actions taken.
- 5.2 There has been a slight increase in appointments of staff from minority ethnic groups in 2003/04 but no other significant variances.

6 Business Plan 2003/2004

- 6.1 Whilst a considerable amount of the work of the department is reactive and demand led, the Business Plan provides information on the core activities which have been undertaken and shows the proposed developments and improvements of the service which were in response to changes in legislation, government and Council initiatives and good practice.
- 6.2 Detailed progress was reported on the business plan objectives in PER 67 on 8 March 2004 and is shown updated in Appendix 6. The majority of the objectives have been completed. The ongoing work that has been carried out and highlighted in the business plan in some objectives will be continued and will form part of the key objectives up to 2007. These relate in particular to the need to establish a workforce plan, a skills and development plan and workforce remodelling plan along with a programme for a learning organisation.
- 6.3 The monitoring shows that the department made good progress against the majority of the targets set for the year. The staff within the department have consistently shown commitment and dedication to their work to achieve these targets during this busy year, whilst at the same time dealing with the many and varied ad hoc needs of both staff, managers and other organisations.

7. Business Plan 2004/05

- 7.1 The service priorities for 2004/05 are outlined in Appendix 7 and detailed monitoring against these priorities will be reported to the next Committee.

8. Health and Safety

- 8.1 Appendix 8 shows a summary of the Occupation Health and Safety activity for 2003/04. This service is managed as a client function by the Personnel Department on behalf of the Chief Executive.
- 8.2 The summary shows a reduction in reported accidents from the previous year but an increase in recorded incidents of threat or abuse. Health and Safety training has been targeted at principal risk areas such as dealing with potentially aggressive customers to ensure that staff are prepared to deal with such incidents. Specialist training has also been provided where required in areas such as parking which have specific training in dealing with potentially aggressive customers.
- 8.3 There is a need to develop an annual Health and Safety Action Plan to focus activity and resourcing requirements to key areas of need within the authority. The outline of this action plan is shown in Appendix 9. The detailed plan will be reported to the next meeting. The Council will participate in inter-authority auditing, supported by the HSE, in the Autumn. This will support best practice in the future.

9 Definitions

- 9.1 A glossary of financial terms is included on pages 10.5 to 10.9 of the Budget Book 2004/05, but some common expressions used in this report are shown below.
- 9.2 Original Budget – Budget approved by the Council in February 2003 as part of setting the Council Tax for 2003/04.
- 9.3 Working Budget – Original budget revised to take account of changes that have happened during the year (virements and supplementary estimates).
- 9.4 Variance – the difference between actual expenditure and income and the working budget, expressed in £s and %.
- 9.5 Brackets () – around figures indicate credits. This covers variances where expenditure is less than expected or income is greater than expected.
- 9.6 Service Summary – a list of the services delivered to the public.
- 9.7 Subjective Summary – the type of expenditure incurred in delivering the services.

OTHER CONSIDERATIONS:

10. CORPORATE STRATEGY (RELEVANCE TO):

- 10.1 Preparation of the budget had regard to the Corporate Strategy. Monitoring of Income and expenditure and review of the final position is an intrinsic part of measuring whether the Strategy's objectives have been achieved.

11. RESOURCE IMPLICATIONS:

- 11.1 These are contained in the detail of the report.

BACKGROUND DOCUMENTS:

Operational and financial records held in the Finance Department

Business Plan and Performance Indicators held in Personnel Department

Establishment records held within the Personnel Department

APPENDICES:

- Appendix 1 Summary of Service and Subjective Budgets 2003/04
- Appendix 2 Personnel Performance Indicators
- Appendix 3 Equal Opportunities current staff
- Appendix 4 Equal Opportunities Monitoring – Recruitment
- Appendix 5 Vacancy Monitoring Information
- Appendix 6 Personnel Department Business Plan – 2003/2004
- Appendix 7 Personnel Department priorities for 2004/05
- Appendix 8 Occupational Health and Safety Report 2003/04
- Appendix 9 Health and Safety Action Plan 2004