

PERSONNEL COMMITTEE

7 March 2005

PERSONNEL DEPARTMENT PERFORMANCE MONITORING

REPORT OF THE DIRECTOR OF PERSONNEL

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RECENT REFERENCES:

PER70 Personnel Department Outturn Report 2003/04

PER77 Personnel Department Performance Monitoring to September 2004

EXECUTIVE SUMMARY:

This report provides financial performance information to the end of January 2005 for the Personnel Department and contains an update on the Performance Indicators and the Personnel Department's progress against the key objectives set out in the Business Plan 2004/05.

RECOMMENDATIONS:

- 1 That the Committee's comments on the financial performance information and Performance Indicators be forwarded to Cabinet for consideration.

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1 Introduction

- 1.1 This paper sets out budget monitoring and other performance information to the end of January 2005.
- 1.2 Details of Personnel's Services may be found in the budget book pages 3.1 to 3.6.

2 Budget Monitoring

- 2.1 Appendix 1 shows the Budget Monitoring summary to the end of January 2005.
- 2.2 Personnel trading account underspend (line a, and p) - (£7,223) is due to underspends in IT and Office Services overheads. These are charged out on actual expenditure and are less than expected.
- 2.3 The employee related expenses are showing an overspend of £15,178 (Line d). This is due to the staff welfare budget being overspent due to the number of referrals for occupational health. Appendix 2 shows that the combined number of occupational health referrals for quarter 1 and 2 of 2004/05 is higher than the total number of referrals for 2003/04. There has been a significant reduction in the number of referrals in the third quarter. This is part of the absence management process which has resulted in a significant decrease in sickness absence throughout the Council as shown in appendix 2.
- 2.4 There are savings in Corporate training (line e and k) – (£31,250). All the training budget has been committed to the end of the year and the saving will decrease in due course.

3. Performance Indicators

- 3.1 The Corporate Health Indicators and the local performance indicators covering the period April 2004 to December 2004 are shown in Appendix 2. There are some changes in the Corporate Health Indicator information. There has been a slight decrease in the number of women in the top 5% of earners. This is caused by a reduction of one female member of staff within the category and the increase of one in the number of posts to be included in the category. The method of calculation means that this indicator may continue to fluctuate in the future depending on turnover and organisational change.
- 4.1 The Corporate Health Indicators show there has been no change in the number of ethnic minority staff employed in the top 5% of earners.
- 4.2 Turnover is no longer included as a BVPI, but has been retained as a local indicator as it provides useful information on the stability of the organisation. Turnover

decreased in this quarter to 2.9%. However, even remaining at this lower level over the remaining quarter, turnover is likely to be around 13%. A recruitment and retention survey carried out in 2004 by the Employers Organisation in conjunction with regional employers organisations found that over 93% of all authorities reported experiencing difficulties with one or more professional/managerial occupations nearly 60% of authorities reported difficulties for one or more non-professional/non-managerial occupational groups. This will be further investigated and detailed comparators sought from neighbouring authorities and the results reported to a later committee. Due to the level of organisational change currently in progress, and the uncertainty that change often brings, it is likely that we will see increased levels of turnover in the next few quarters.

- 4.3 There has been a further decrease in the number of days sick per member of staff, reducing from an average of 9.6 days per person in the year April 03 to March 04 to 8.1 days for the year 1 January 2004 to 30 December 2004. This is against a national average for Shire Districts of 10.3 days per employee (Employers Organisation January 2005) and places the Council in the upper quartile for Corporate Health BVPIs. This quarter continues the steady decrease in absence levels which have been reported since the implementation of the Policy for the Management of Absence.
- 4.4 The number of referrals to Occupational Health has decreased significantly this quarter which is characteristic of an process of absence management which involves dealing with absence issues quickly and supportively. The success of this policy is further demonstrated by a considerable reduction in the number of long term sick cases.
- 4.5 The local performance indicators show a slight increase in the number of formal grievances brought requiring full investigation whilst no disciplinary cases have been heard this quarter.
- 4.6 The number of posts evaluated using the NJC job evaluation scheme remains consistent with the previous quarter. This reflects new posts being evaluated and regrading requests following significant changes to posts. There are likely to be increases in the next few quarters where significant organisation changes will require posts to be re-evaluated. This is likely to also increase the number of posts evaluated under the Hay scheme.
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 that the split between male and female staff employed remains consistent from the last year. There has been an increase in staff who have declared themselves disabled, mainly due to the recent annual exercise carried out to comply with the Data Protection Act, which asked staff to check the personal information held on them. One of the areas checked relates to disability and as anticipated, more staff declared themselves to have a disability under the Disability Discrimination Act than were currently on record .
 - 5.2 There has been a slight decrease in the percentage of staff from minority ethnic groups which places the Council ethnic profile slightly below that of the local community. This number will continue to fluctuate as headcount changes as a result of turnover levels and organisational change. Further work will be undertaken within the coming year to investigate raising the profile of the City Council as an employer

amongst the minority ethnic communities by the Personnel Issues Group and as part of the work into employer branding and recruitment and retention, as well as the ongoing work on service reviews under the Diversity Policy.

- 5.3 During the year the Commission for Racial Equality announced new categories for minority ethnic grouping and these will be incorporated into the methods used to collect information on ethnic origins and into our equal opportunities monitoring in the coming year.
- 5.4 Appendix 4 shows a breakdown by gender, disability and race of applications received, applications shortlisted and those appointed. The information shows the total number of candidates appointed to vacant posts over the last 3 quarters. There has been a significant drop in the number of applications received in the quarter October to December, despite a similar number of vacancies advertised. Investigation shows that within the second quarter a number of vacancies were advertised, such as Benefits Officers and these posts traditionally attract a high number of applicants, both from other local authorities and organisations such as the Benefits Office. This also reflects a seasonal trend which shows that people do not tend to change jobs towards the end of the year. This trend would normally show an upturn in applications over the first quarter of the year. A total of 103 posts have been advertised over the first three quarters of which 9 were not filled and 5 were re-advertised.
- 5.5 Whilst applications received from ethnic minority groups remain consistent, there has been an increase in appointments of staff from minority ethnic groups this quarter.

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 The key activities identified in the Business Plan for 2004/05 are shown in appendix 5. Progress is shown on a quarterly basis in the agreed corporate format. The majority of the activities are on target and should be achieved by the end of the year. In additions to this, included in the workload of the Department has been the implementation of several key restructures and a major programme of organisational development which were not anticipated and therefore not included in the Business Plan. Where there is slippage in the achievement to targets these are linked to delays elsewhere in the organisation or linked to the outcome of the changes incurred due to organisational developments. The work on Employer Branding, which directly impacts on the development of the Recruitment and Retention Strategy is linked to the Communication Strategy and Corporate Brand which has only recently been agreed. The e-service, allowing self service absence recording, training course booking and performance monitoring booking, will not be achieved this year. Work is planned to undertake a more corporate review of smaller departmental IT requirements.

7 Health and Safety

- 7.1 The statistics relating to accident reporting are detailed at appendix 6. Appendix 7 shows a review of the principle Health and Safety initiatives.

OTHER CONSIDERATIONS:

8. CORPORATE STRATEGY (RELEVANCE TO):

- 8.1 The need to make the best use of all available resources by continued clear financial planning within the City Council is an integral part of the Corporate Strategy.

9. RESOURCE IMPLICATIONS:

None

BACKGROUND DOCUMENTS:

Working papers in the Finance Department

APPENDICES:

- Appendix 1 Personnel Department – Budget Monitoring Summary to end of January 2005
- Appendix 2 Performance Indicators – Quarters 1,2 and 3
- Appendix 3 Equal Opportunities Monitoring – Current Staff
- Appendix 4 Equal Opportunities Monitoring - Recruitment
- Appendix 5 Business Plan 2004/05 - Performance Monitoring
- Appendix 6 Accident Statistics
- Appendix 7 Review of Principle Health & Safety Initiatives 2004/05