

PERSONNEL COMMITTEE

23rd January 2006

WINCHESTER CITY COUNCIL – STAFF ESTABLISHMENT

REPORT OF DIRECTOR OF HUMAN RESOURCES

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RECENT REFERENCES:

Minutes of the Personnel Committee 20th June 2005

Annual Establishments Reports

EXECUTIVE SUMMARY:

RECOMMENDATIONS:

- 1 That the contents of the report be noted.

DETAIL:

1 Introduction

- 1.1 Members of Personnel Committee wish to understand how the Council maintains an overview of staff numbers and costs. The numbers of Full Time Equivalent (FTE) post have all been presented to Personnel Committee for approval by Members. Both the increases and the deletion of posts have been considered in the light of individual business cases linked to each Directorate. Staff costs are also considered as part of the annual budget process.
- 1.2 The overall FTE has increased for the Council along with an increase in pay bill, and Personnel Committee requested a report setting out a more detailed explanation of the FTE changes and pay bill increases that have occurred across the Council over a number of years. This report is based on the data available from 31st March 1999 to 31st March 2005.
- 1.3 There have been several minor changes in organisation structure within Departments along with a reorganisation of services into Directorates over this period. Some of these changes will be shown in the next Establishment report due for Committee which will be effective from 1st April 2006 and are not concluded here.

2 Base Data

- 2.1 There has been an increase in the pay bill and the overall net FTE figure for the Council. Appendix 1 shows the increases in the pay bill and the net FTE increases for 2000/2001. These increases have been compared to the data available for two neighbouring authorities. Further comparative data were requested from other neighbouring authorities and South East Employers (Provincial Council) but unfortunately were not available. The data show a similar growth in pay bill and FTE's although the data are only broadly comparable.

3 Increases in Net Establishment

- 3.1 The net FTE has increased within the Directorates as shown in Appendix 2. This increase has been tracked through the establishment figures from 31st March 1999 to 31st March 2005. These figures have been presented to Personnel Committee annually and verified within Directorates. There are three reasons for the increases shown, firstly the introduction of new functions, secondly the improvements made to services and thirdly the transfer of functions between Directorates. For example, the figure for the Chief Executive shows 2.86, and whilst there have been more new staff over that period, there have also been transfers out into the City Secretary and Solicitors figures. This applies to all of the Directorates.
- 3.2 New areas of work have been introduced which have often been directed by central government and changes in legislation and requirements to meet targets: for example, the new Licensing Act and the increase in staffing levels needed to implement this. The development of the IEG programme and the requirement to deliver this has impacted on the need for additional staffing and the reconfiguration of duties and changes to roles. Following the CPA process the need to develop and strengthen areas such as strategy and policy development, performance management, communication and scrutiny, resulted in some new posts at the corporate centre.

- 3.3 There have also been changes in Council priorities which have resulted in changes to FTE to enable new or improved services to be delivered. Examples of this are the Neighbourhood Warden Service and the enhancements to the Planning Enforcement Service, the development of the Customer Service Centre and the appointment of an Economic Development Officer.
- 3.4 There have been a number of deletions of posts from the establishment during this period which are shown year on year within the establishment reports. These changes are linked to restructuring and realignment of posts within the organisation. For example, following the restructuring of the organisation during this year details of which were presented in a number of reports to Personnel Committee, there have been a number of deletions of posts which have enabled a shift in budget and resources to focus on priority areas. There has been a growth in frontline staff and a reduction in the number of posts at Director and Heads of Service. There were 6 Director posts in March 2003, and 21 Heads of Division and we are now moving to 5 Director posts and 18 Heads of Division.
- 3.5 There have been a number of other deletions of posts which have been approved by Personnel Committee, all of which have resulted in efficiency savings. These deletions of posts and subsequent savings have come from utilising opportunities for restructuring and redistribution of duties through vacancies, retirements on grounds of efficiencies of the service and in some cases redundancies.

4. Pay bill

- 4.1 The increases in paybill are shown for the period 1st April 2000 (i.e. After JE) to 1st April 2005 in Appendix 3. There have been a number of national pay awards during this period following settlements and agreements with the relevant unions representing members covered by both the National Joint Council and the Joint National Council terms and conditions.
- 4.2 Appendix 1 shows the comparison trend in pay bills for the neighbouring Councils and the staff numbers in FTE's. This highlights that Winchester City Council has seen an increase in pay bill broadly comparable to the other two authorities. The Council reviewed the pay structure in 2000 and applied changes to the introduction of a new pay scale which was back dated to April 1999.
- 4.3 Pay bill is also increased as a result of increases in grade on posts following regrading appeals and the gradings of new posts utilising the Job Evaluation Scheme. The requirement to review pay scales and gradings for posts was part of the national agreement linked to the Single Status Agreement between the Employers Organisation and the relevant Trade Unions.
- 4.4 In addition to salaries there are a limited number of market supplements applied to posts where there is evidence there is proven need to use them to assist in the recruitment and retention of staff and these are reviewed on a regular basis linked to market trends. They are also reflected in the pay bill. There is a requirement to undertake an Equal Pay Audit and this will be done in the New Year as set out in the business plan.
- 4.5 There are some areas where additional funding has been available for example, Planning Delivery Grant and the additional administration subsidy that has been received for benefits which has assisted in the increase in FTE and pay bill. There have also been a limited number of joint funded posts between organisations for

example the Health for All Co-ordinator post and administrative support, and the Procurement Officer post.

5.0 Data collection, Bench marking and Monitoring

- 5.1 Cabinet has approved the funding to enable the purchase of a joint Human Resource and Payroll system based on the current payroll system which will enable greater functionality in terms of amending, tracking and reporting on establishment figures and verification within Directorates whilst taking into account vacancies.
- 5.2 Continual monitoring takes places with exit interviews and the collation of turnover figures looking at job trends and pay information. The Council also participates in benchmarking exercises and regional surveys looking at pay and posts this take into account market trends and the Council's ability to recruit and retain staff. As part of the recruitment process every vacant post on the establishment is reviewed to ascertain the need for that post. Any possible changes to the role are considered or opportunities that may arise for reconfiguration and restructuring that would lead to efficiencies and savings are applied.
- 5.3 The Governments "Gershon" agenda also puts pressure on staff numbers and costs through the search for efficiency improvements. As part of this the Council participates in a number of regional groups investigating the opportunities for joint working and maximising the use of staff resources in all areas of the Council's business and in particular when looking at the need for additional FTE's with the introduction of new services or legislative requirements.
- 5.4 The Workforce Development Strategy and the action plans are assisting the Directorates to assess all aspects of the people requirements to deliver the services and implement the Corporate Strategy for the next five years which includes staff numbers and skills and this is reviewed as part of the business planning process.

OTHER CONSIDERATIONS:

6 STRATEGIC PLAN (RELEVANCE TO):

- 6.1 The need to make best use of the available resources by continued financial and human resource planning within the City Council is an integral part of the Corporate Strategy.

7 RESOURCE IMPLICATIONS:

None

BACKGROUND DOCUMENTS:

Working papers in the Human Resources Departments and Directorates

APPENDICES:

- Appendix 1 Pay bill and Net FTE for Winchester City Council and comparator authorities
- Appendix 2 Net FTE changes by Department
- Appendix 3 Salary changes