

PERSONNEL COMMITTEE

17 July 2007

HUMAN RESOURCES – OUTTURN 2006/07

REPORT OF THE HEAD OF ORGANISATIONAL DEVELOPMENT

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RECENT REFERENCES:

PER 113 Human Resources Directorate Performance Monitoring 22nd January 2007

PER 108 Human Resources Directorate Performance Monitoring 13th November 2006

EXECUTIVE SUMMARY:

This report sets out the outturn information related to the Business Plan for Human Resources Division setting out the Corporate Health indicators and local performance indicators covering the period 1 April 2006 to 31 March 2007.

RECOMMENDATIONS:

1. That the outturn figures 2006/07 for Head of Organisational Development be noted.
2. That the Committee raises with the Portfolio Holder any issues arising from the Performance Indicators, and considers whether any items of significance need to be drawn to the attention of Cabinet.

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### HUMAN RESOURCES - OUTTURN 2006/07

#### REPORT OF THE HEAD OF ORGANISATIONAL DEVELOPMENT

##### DETAIL:

##### 1 Introduction

1.1 This report covers the Business Plan outturn information for 2006 – 2007 for the Human Resources Division and includes the outturn figures for the Corporate Health Indicators and local indicators for that period.

##### 2. Performance Indicators

2.1 The Corporate Health Indicators and the local performance indicators covering the period 1 April 2006 to 31 March 2007 are shown in Appendix 1. There are some changes in the Corporate Health Indicator information. The proportion of women in the top 5% of earners has increased to 37.79% maintaining the Council's place within the top quartile of district council. The way in which the indicator is calculated means that the total number of people may change and cause an increase or decrease in the indicator without change in the actual number of female employees in this group. This indicator may continue to fluctuate in the future depending on turnover and organisational change.

2.2 The number of ethnic minority staff and disabled staff employed in the top 5% of earners is still below the Top Quartile. The Corporate Equalities and Diversity group has developed an Inclusion, Cohesion and Equality (ICE) Strategy which will meet the requirements to promote both gender and race equality and work towards the promotion of disability equality. Also undertaken was a review of the Equality Policy and Action Plan.

2.3 There have been two early retirements over the last year. The outturn indicator is close to the target of 0.3%. Revised guidance has been received on the calculation of the indicator stating that only those employees who are members of the local government pension scheme should be included in this calculation. Pension membership is currently 86% of employees. This change in calculation accounts for the difference between target and actual. There have been no early retirements on ill health grounds.

2.4 The levels of sickness absence have reduced over the year from an average of 10.2 days per employee at the beginning of the year to the current level of an average of 9.2 days per employee, which equates to a total of 4477 days lost to sickness absence. Currently the top quartile figure for district councils is an average of 8.29 days lost per employee. The current sickness absence target for 08/09 is 8 days per employee which will represent a total reduction in sickness absence levels of 2.2 days per employee over the 2 year period from 05/06 to 08/09. A report was recently presented to Personnel Committee outlining a number of actions to reduce current sickness absence levels to meet the sickness absence target and exceed it in 2008/09, placing the Council amongst the best performing District Councils.

- 2.5 The number of staff employed who declare themselves disabled has increased significantly from 2% to 7.8%. This increase does not relate to the actual number of disabled staff employed, but to the way in which the calculation is done following revised guidance received. This guidance states that only those staff for whom information is known should be included in the calculation. The introduction of the integrated HR/Payroll system (Selima) allows staff to access and amend their own personal details, including their disability status. Despite this availability, the information on disability has not been completed for over 70% of staff. Requests have been sent out for staff to update this information and it is anticipated that this indicator will change in response to that request. The Disability Equality Scheme and Action Plan has been produced during this period.
- 2.6 Similar guidance has been received for the calculation of the proportion of ethnic minority staff employed although this has only led to a small increase in the performance indicator as this information is known for over 90% of staff.
- 2.7 There were two formal grievances raised over the year, a decrease on the previous year although there has been an increase in the number of disciplinary cases heard. One tribunal application was received.
- 2.8 The number of voluntary leavers has not been a BVPI for the last few years and therefore there is no quartile information for comparison. Turnover has been retained as a local indicator as it provides useful information on the stability of the organisation. Comparison has been made with national surveys undertaken by the Chartered Institute of Personnel & Development (CIPD) which indicate that nationally turnover levels have increased. The national average turnover level in the public sector currently stands at 14.3% an increase of nearly 3% over the last 2 years. Turnover has decreased slightly this year but remains high overall at 15.32%. Turnover levels vary from region to region with the highest rates being found in regions, such as Winchester, where unemployment is low and alternative employment is easy to find.
- 2.9 The number of internal transfers has decreased significantly from last year to 5.26%. During this period there has been an organisation wide restructuring and other smaller scale restructures within directorates along with efficiency savings with vacancy management which will have impacted upon this figure.
- 2.10 There have been fewer posts assessed and graded by Job Evaluation grading panels over the year compared to the previous year. One formal JE grievance has been heard as well as a number of appeals at stage 2 covering requests and new posts.

### 3. Equal Opportunities Monitoring

- 3.1 Appendix 2 shows the breakdown by gender, disability and race of current staff within the Council. The figures show consistency in the percentages of female (62%) and male (38%) staff employed from the last report (PER111). There is a significant increase in the proportion of staff declaring themselves disabled which is explained in section 5.5 above and relates to the method of calculation.
- 3.2 The monitoring of ethnic minority staff is done under the national classifications which allow us to make national and local comparisons. There has been an increase in the number of staff employed from ethnic minority groups, due to the revised method of

calculation as explained in 5.5 above, although the indicator remains below the ethnic profile for the local area. The implementation of the ICE strategy and further developments in recruitment and retention are aimed at increasing the proportion of ethnic minority staff employed to reflect the population profile of the district.

- 3.3 Appendix 3 also shows a breakdown by gender, disability and race of applicants received, applicants short listed and those appointed over the year 2006/07. The information shows that the volume of recruitment remains consistently high with a total of 1664 applications during 2006/07 compared to 1766 the previous year. A total of 105 appointments were made from 473 interviews carried out.

#### 4. Business Plan Performance

- 4.1 The HR Business Plan for 2006/07 was submitted to this committee, for information on 21 April 2006. Appendix 3 to this report details the progress made against the 2006/07 Key Priorities. The monitoring information shows that the division has made good progress against the majority of the targets set with the main outcomes detailed below. Where corporate priorities have changed, the divisions limited resources have been diverted from other projects which has caused slippage in some areas. Where appropriate, these targets have been included in the 2007/8 Business Plan as priorities for the coming year.
- 4.2 The integrated HR/Payroll system, Selima, has been further developed with the implementation of electronic overtime claims. Both annual leave requests and overtime claims are now electronic along with sickness and absence recording and it is anticipated that electronic mileage claims will be introduced in the near future.
- 4.3 The Human Resources division now provides managers with regular detailed reports on sickness absence as well as responding to ad hoc requests for information. Further developments are underway to produce a suite of management information for managers to support workforce planning. Focus groups have been held with staff and managers to get feedback on the implementation of the system. As a result of these groups a number of suggestions were put forward by managers to improve and further develop the system to meet operational needs.
- 4.4 The Training and Development advisor has delivered the remaining customer care courses. The primary audience was the customer service team but later the training was extended to a large number of Cultural Services staff. All courses were evaluated and received 80% positive feedback.
- 4.5 A Severance Strategy has been developed and approved by Personnel Committee in June 2007 and a suite of policies are currently being agreed to support the continued roll out of the Flexible Working project. The Corporate Equalities Group continues to meet regularly and has recently developed a Disability Equality Scheme in conjunction with an external consultant. Additionally, work continues to support the Workforce Development Plan.
- 4.6 Whilst the majority of the work of the HR division is reactive and demand led, the Business Plan provides information on the key priorities identified for the year. Project work has also been undertaken which was not included in the Business Plan initially and is shown in Appendix 4. This additional work relates to changes in the divisions, legislation and national requirements which have arisen during the year.

OTHER CONSIDERATIONS:5 CORPORATE STRATEGY (RELEVANCE TO):

5.1 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.

6 RESOURCE IMPLICATIONS:

6.1 These are contained in the detail of the report.

BACKGROUND DOCUMENTS:

Held in the Human Resources Division

APPENDICES:

- Appendix 1 Human Resources Performance Indicators
- Appendix 2 Equal Opportunities Monitoring – Current Staff and Recruitment
- Appendix 3 Human Resources Division Business Plan Monitoring
- Appendix 4 Additional work undertaken and not included in the Business Plan

Key Performance Indicators Outturn 2006/07

PER124 Appendix 1

BVPI	Purpose	Yr -1 (05/06)	Qu 1	Qu 2	Qu 3	Qu 4	Outturn 2006/07	Top Quartile
2a	Equality Standard for Local Government	1	1	1	1	1	1	N/A
2b	Duty to promote race equality	63.2%	63.2%	63.2%	63.2%	68.5%	68.5%	N/A
11a	5% top earners who are women	33%	36%	40%	40%	36.6%	37.97%	28.93%
11b	5% top earners who are ethnic	0	0	0	0	0	0	1.98%
11c	5% top earners with a disability	N/A	0	0	0	0	0	N/A
12	Number of days sick per member of staff	10.24	9.4	9	8.9	9.2	9.2	8.48
14	Number of early retirements as a percentage of staff	0.4%	0.4%	0	0	0	0.42%	0%
15	Number of ill health retirements as a percentage of staff	0.2%	0	0	0	0	0	0%
16a	Number of staff with disabilities within organization	2%	1.5%	1.43%	1.4%	7.84%	7.84% (revised method of calculation)	4.10%
17a	Number of staff from ethnic minorities within organisation	1.79%	1%	1%	1.6%	1.88%	1.88% (revised method of calculation)	2.5%
Local	Number of women leaving to go on maternity leave	10	5	3	2	2	12	n/a
Local	Number of grievance cases	3	0	1	0	0	1	n/a
Local	Number of disciplinary cases	1	1	4	2	0	7	n/a
Local	Number of employment tribunals	1	0	0	0	1	1	n/a
Local	Number of referrals to Occupational Health	15	1	6	5	6	18	n/a
Local	Number of long-term ill health cases	11	1	8	tbc at meeting	18	18	n/a

	Purpose	Yr -1 (05/06)	Qu 1	Qu 2	Qu 3	Qu 4	Total 2006/07	Top quartile
Local	HR Invoices paid within 30 days	n/a	n/a	96.21%	100%	94%	96.74%	n/a
Local	Number of JE NJC Panel post reviews	32	4	8	3	4	19	n/a
Local	Number of JE Hay Panel post reviews	9	5	0	0	0	5	n/a
Local	Number of voluntary leavers as a percentage of staff (excludes early retirements on efficiency grounds)	16.8%	4.46%	4.25%	4.71%	1.9%	15.32%	14.3% (CIPD 2006 – public sector)
Local	Number of people offered permanent contracts who declined the offer	9	3	4	0	0	7	n/a
Local	Percentage of employees transferring between permanent posts internally	9.15%	2.1%	1.24%	1.57%	0.35%	5.26%	n/a
Local	Number of leavers against leaving code as percentage of total number of leavers	Not appropriate to set targets						
	A1: Ext appointment – public sector	16	3	3	5	0	11	
	A2: Ext appointment – private sector	9	1	3	3	2	9	
	AO: External appointment – unknown	5	3	0	0	1	4	
	C: Retired	5	7	2	2	0	11	
	D: Redundant	1	2	0	1	0	3	
	E: Maternity	2	0	1	1	1	3	
	F: Moved out of area	3	2	1	4	0	7	
	G: College	6	0	4	1	0	5	
	H: Dismissal	0	0	1	3	0	4	
	I: Failed probation	0	0	0	1	0	1	
	J: Personal reasons (i.e. to travel abroad)	12	4	4	1	0	9	
	K: Died	0	0	0	0	0	0	
	L: End of contract	3	1	1	2	1	5	
	M: Long term Sickness	2	0	0	0	0	0	
	Not known(Other)	5	1	4	3	1	9	

**Establishment numbers**

	Agreed Establishment FTE	Headcount	Vacant posts
30.09.06	510.35	557	36.35
31.12.06	510.35	573 FTE in post = 490.82	Data cleansing in progress
31.03.07	510.35	576 FTE in post = 495.43	Work continuing to cleanse post data held. To be included in Establishment report - September

**Note:**

On corporate health indicators, increase in numbers of staff meeting the indicator will not always give consistent percentage increase as the denominator used changes as establishment and vacancies change

Top Quartile – uses all other districts as comparator rather than those with similar profiles to WCC



<b>Equal Opportunities Monitoring 2006/07</b>			<b>PER124 Appendix 2</b>			
<b>Current Employees*</b>	576 (Headcount)					
	<b>No.</b>	<b>%</b>				
Male	218	38%				
Female	358	62%				
<b>Disabled</b>	<b>8</b>	<b>1.4%</b>				
<b>White</b>	<b>522</b>	<b>91%</b>				
Mixed	1	0.2%				
Asian/Asian British	2	0.3%				
Black/Black British	4	0.7%				
Chinese or other ethnic group	1	0.2%				
Not given	46	8.0%				
<b>Recruitment</b>						
	<b>Applications received</b>		<b>Applicants Shortlisted</b>		<b>Successful Candidates</b>	
	<b>Total</b>	1664	<b>Total</b>	473	<b>Total</b>	105
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Male	626	38%	215	45%	33	31%
Female	761	46%	216	46%	64	61%
Not given	277	17%	42	8.9%	8	8%
<b>Disabled</b>	<b>30</b>	<b>2%</b>	<b>7</b>	<b>1.5%</b>	<b>3</b>	<b>3%</b>
<b>White</b>						
British	1134	68%	364	77.0%	61	58%
Irish	6	0.4%	3	0.6%	1	1%
Other	40	2%	13	2.7%	3	3%
<b>Mixed</b>						
White/Black Caribbean	10	0.6%	3	0.6%		0%
White/Black African	12	0.7%		0.0%		0%
White/Asian	2	0.1%		0.0%		0%
Other	6	0.4%	1	0.2%		0%
<b>Asian/Asian British</b>						
Indian	23	1%	5	1.1%		0%
Pakistani	0	0.0%		0.0%		0%
Bangladeshi	0	0.0%		0.0%		0%
Other	16	1.0%	2	0.4%	2	2%
<b>Black/Black British</b>						
Caribbean	14	1%	6	1.3%	2	2%
African	12	1%	2	0.4%		0%
Other	2	0%	1	0.2%		0%
<b>Chinese or other ethnic group</b>						
Chinese or other ethnic group	9	0.5%	3	0.6%		0%
Other	7	0.4%		0.0%		0%
<b>Not Given</b>	<b>343</b>	<b>21%</b>	<b>14</b>	<b>3.0%</b>	<b>13</b>	<b>12%</b>

**Progress on Key Objectives in HR Business Plan 2006/07**

No	Corporate Priority	What will we do?	When will we do it?	Q1	Q2	Q3	Q4	Comments
1.	Supports the Corporate Strategy 'Working Better'	<p>Flexible Working Project – Implementation of flexible working practices. Develop and implement a Flexible Working Policy, Home working Policy, Hot Desking Policy, Mobile working Policy, Lone Worker Policy and Security Policy to support the implementation of flexible working practices</p> <p>Support the accommodation review</p>	31 March 2006	☺	☺	☺	☺	<p>Q4: Home Working policy submission to Cabinet in September 07.</p> <p>Q3: Seeking approval for Home Working policy at Cabinet in February 2007.</p> <p>Q4: Director of HR continues to work alongside Head of Facilities.</p> <p>Q3: Director of HR continues to work alongside Head of Facilities</p>
2.	Supports the Corporate Strategy 'Working Better'	<p>Support the implementation of phase 2 of CSC.</p> <p>Customer care training</p>	Completed by September 06 in accordance with action plan	☺	☹	☹	☹	<p>Q4: Consultation continues.</p> <p>Q3: Consultation between HR and Parking office continues ahead of phase two.</p> <p>Q4: All courses delivered covering communication, customer service and interpersonal skills.</p>

No	Corporate Priority	What will we do?	When will we do it?	Q1	Q2	Q3	Q4	Comments
								Q3: Will be completed by Feb 2007.
3.	Supports the Corporate Strategy 'Working Better'	Implementation of Workforce Development Plan action plan	In accordance with the dates included in the action plan	☹	☺	☺	☺	Q4: Work continues on specific interventions to support WFDP as per Business Plan and Action plan. This includes working with HIOWLA partners Q3: Work taking place on specific interventions to support WFDP as per Business Plan and Action plan.
4.	Supports the Corporate Strategy 'Working Better' through the implementation of Workforce Development Plan	Develop and implement a Pay and Reward Strategy	Strategy developed by August 2006 & implemented in accordance with action plan Revised timescale April	☹	☹	☹	☹	Q4: Work undertaken on a Total Rewards Package to be agreed and implemented in 07/08 Q3: Strategy drafted for circulation. Consultation taking place. Work continues on actions identified in action plan.

No	Corporate Priority	What will we do?	When will we do it?	Q1	Q2	Q3	Q4	Comments
5.	Supports the Corporate Strategy 'Working Better' through the implementation of Workforce Development Plan. Requirement under Age Discrimination Legislation	Develop and implement a Severance Strategy including revised Retirement and Pensions policies	April – October  Revised timescale for Severance Strategy December 06	☹	☹	☹	☹	Q4: Revised Severance Strategy agreed at Personnel Committee June 2007. Q3: Work continues but consultation on strategy delayed until after restructure is complete.
6.	Supports the Corporate Strategy 'Working Better'	Implement and further develop an integrated HR/Payroll system with self service facility for staff and managers for appraisal, absence, leave recording and training records  Further develop management information and workforce analysis	To be implemented April 06  To commence July 06	☺	☺	☹	☹	Q4: Electronic overtime eforms implemented for all staff. Testing currently taking place on extended use to include mileage claims. Further member training to be included. Q3: Eform module delayed due to extended testing. Intention is for this to go live in Q4. Members to receive training ref. accessing payslips on Selima.  Q4: Additional management reports in development Q3: Meetings with divisional heads to develop a useful suite of reports. Further consultation in Q4 and reports developed

No	Corporate Priority	What will we do?	When will we do it?	Q1	Q2	Q3	Q4	Comments
7.	Requirement under the Single Status Agreement 2004	Equal Pay Audit	Plan in place by March 06  Revised timescale End September 2006	☹	☹	☺	☹	Q3: Report submitted to committee in January 2007. Work identified in action plan included in Business Plan for 2007/08.
8.	Supports the Corporate Strategy 'Working Better'	Review absence management policy and processes including a review of the use of Occupational Health services  Continued absence management training	May 2006  Revised timescale November 06  July – March	☹	☹	☹	☹	Q4: Included in 2007/08 Business Plan. Report presented to committee in June 07. O/H service review linked to HLOWLA Well being project Q3: Reporting continues. Policy not yet revised: new timescales to be set. Q4: Completed and course delivered. Absence management reports provided by Principal HR Officer. Q3: Will be completed by February 2007.
9.	Supports the Corporate Strategy 'Working Better'	Review and set action plan for working towards Level 2 of the CRE Equality Standard.	Oct – April	☹	☹	☹	☹	Q4: Ice Strategy in place, Revised Equality Policy and Action Plan completed and Disability Equality Scheme developed, agreed in May 07. Q3: Consultant appointed to develop policy and work on service reviews.

No	Corporate Priority	What will we do?	When will we do it?	Q1	Q2	Q3	Q4	Comments
10.	Supports the Corporate Strategy 'Working Better – Managing the Council Effectively'	Development of output based, measurable competencies	June – October	😊	😊	😊	😐	Q4: Revised appraisal scheme piloted now trialling prior to full implementation and on line performance appraisal process for next round of appraisals. Q3: Appraisal review on hold due to restructure.

**Additional work undertaken and not included in the Business Plan****APPENDIX 4**

<b>WORK AREA</b>	<b>WORK UNDERTAKEN</b>
Organisational Development	Restructure of Directorates and appointment of new Corporate Directors and other related posts
	Departmental restructures
Equalities	Disability Equality Scheme and action plan
	Establishment of Corporate Equalities Group and Disability Reference Group with Community involvement and consultation
	Development of Inclusion, Cohesion and Equality (ICE) Strategy and further work with the LSP
	Review of the corporate Equalities Policy and Action Plan in preparation for a revised version
Training	Management Development Strategy
	Learning and Development Strategy
Policy development	Relocation Policy, Smoke free policy, Severance Policy, Maternity Policy and guidance, Policy on Religious and Cultural leave,
Corporate projects	Pilot division for introduction of EDRMs system
	Introduction of corporate performance monitoring system Covalent
	Development of Hampshire wide Recruitment Web Portal and Learning Web Portal with HIOWLA
	HIOWLA Wellbeing project
Employment Relations	Disciplinary and grievance investigations