

To: Members of the Special Sub-Group

Councillors Farrell, Hayfield, Humphreys, Jenns, Singh and Sweet

For the information of the other Members of the Council

SPECIAL SUB-GROUP

15 AUGUST 2017

The Special Sub-Group will meet in the Committee Room, The Council House, South Street, Atherstone on Tuesday 15 August 2017 at 6.30pm.

AGENDA

PUBLIC BUSINESS

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Disclosable Pecuniary and Non-Pecuniary Interests**
- 4 Public Participation**

Up to twenty minutes will be set aside for members of the public to ask questions or to put their views to elected Members. Participants are restricted to five minutes each. If you wish to speak at the meeting please contact David Harris on 01827 719222 or email democraticservices@northwarks.gov.uk.

- 5 **Progress Report on Human Resources Issues** – Report of the Assistant Director (Finance and Human Resources)

Summary

This report summarises the work of the Human Resources section in 2016/17 and updates Members on work being undertaken in the current year.

The Contact Officer for this report is Kerry Drakeley (719300).

- 6 **Exclusion of the Public and Press**

Recommendation:

That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that it involves the likely disclosure of exempt information as defined by Schedule 12A to the Act.

**EXEMPT INFORMATION
(GOLD PAPERS)**

- 7 **Home Working** – Report of the Assistant Chief Executive (Community Services)

The Contact Officer for this report is Bob Trahern (719378).

- 8 **Leisure Facilities - Staff Structure Review** – Report of the Assistant Director (Leisure and Community Development)

The Contact Officer for this report is Simon Powell (719352).

JERRY HUTCHINSON
Chief Executive

For general enquiries please contact David Harris, Democratic Services Manager, on 01827 719222 or via e-mail – davidharris@northwarks.gov.uk.

For enquiries about specific reports please contact the officer named in the report.

Agenda Item No 5

Special Sub Group

15 August 2017

Report of the Assistant Director (Finance and Human Resources)

Progress Report on Human Resources Issues

1 Summary

- 1.1 This report summarises the work of the HR section in 2016/17 and updates Members on work being undertaken in the current year.

Recommendation to the Board

That the report be noted.

2 Introduction

- 2.1 This report provides some information on work undertaken by the HR section during 2016/17, including the management of sickness absence across the authority. The report goes on to look at work currently being undertaken, and some issues that need to be addressed in the future.

3 Health and Absence Management

3.1 Summary of Sickness Absence 2016/17 (April 2016 – March 2017)

- 3.1.1 Absence Management is recorded for all employees, and is then analysed into short and long term absence. Comparing 2016/17 to the same time period in 2015/16, there is a small decrease in short term sickness absence per full time equivalent (FTE), 0.15 and an increase, 0.70 in long term sickness. The position is summarised in the table below, with additional detail given at Appendix A.
- ...

Type	2015/16	2016/17
Short Term	4.18 days per FTE	4.03 days per FTE
Long Term	7.05 days per FTE	7.74 days per FTE
Total	11.23 days per FTE	11.77 days per FTE

- 3.1.2 In line with the Attendance Management Policy short-term sickness absence reports are sent to Assistant Directors on a monthly basis. HR also meets with the Assistant Directors on a bi-monthly basis to provide advice and to discuss what action they have taken within their Divisions. The aim of these reports and meetings is to increase managers' awareness of sickness absence within their Divisions, which should aid proactive and consistent

management of absence issues and will contribute to minimising short-term absence figures. Managers now take employees with habitual short-term absences to case management earlier.

- 3.1.3 The long-term sickness absence is being managed either by getting staff back to work or them exiting the organisation either on ill-health retirement, dismissal or by resignation. Those with significant long-term absence equates to 16 employees having lost a total of 1,527.65 days. 13 of these employees have successfully returned to work, 1 passed away, 1 has left the Council, and 1 was dismissed.
- 3.1.4 During the 2016/17 financial year, the Council ran a trial with a company called First Care (under their contract with Nuneaton and Bedworth Borough Council) to see if this would assist the Council to manage sickness more effectively. The Housing Maintenance Section was selected to pilot the scheme; however the year end evaluation of the system showed that it did not reduce sickness absence within the section and consequently the pilot was terminated.
- 3.1.5 Appendix B shows the reasons for the number of days lost per FTE. The main reasons for absence relate to: Operation/Post Operation, Musculoskeletal, Stress and Chest.

4 Recruitment, Retention and Selection

- 4.1 There were a number of starters and leavers between April 2016 and March 2017. There were 44 leavers, including 4 employees who retired, 4 dismissals, 4 redundancies and 32 resignations. There were 45 starters. This equates to a labour turnover of 13.90%.
- 4.2 The Council has continued with the strategy of reviewing all posts that become vacant. Those posts that need to be filled are recruited to internally where possible. This supports the Council's ability in succession planning.

5 Policies Procedures and Processes

- 5.1 A number of areas were reviewed and updated during 2016/17: Supported Introduction to Employment, Job Share Policy, Secondment Policy and Procedure, and the Dignity at Work Policy.

6 Pay & Benefits

- 6.1 The Pay Policy statement was updated for 2016/17, and was published on the Councils website. As part of the 2016-2018 pay deal, a pay award of 1% was agreed for 2016/17.
- 6.2 The cycle to work scheme (Government-approved salary sacrifice initiative allowing employees to hire a bike and accessories) was successfully launched in June 2016. 20 employees chose to access the scheme. The window for applications is set at once a year for the month of June.

7 Learning, Training and Development

- 7.1 In the 2016/17 training year, Principal Officers received a 360-degree appraisal with the HR section managing the process and producing the analysis in house. An external consultant provided the feedback to the officers and produced a report of the overall findings.
- 7.2 The consultant reported that managers remain loyal and committed to the organisation and that they had found getting the results and having the feedback was a very positive and valuable experience. The majority of reports demonstrated an improvement in the performance of managers. The consultant highlighted that a theme across the feedback sessions with managers was issues with delegation, time management and prioritising tasks during times when resources are being strained across services.
- 7.3 The E learning programme during the year covered Health & Safety, Fraud Awareness, Equality & Diversity, Customer Service, Data Protection, Freedom of Information, Bribery Act 2010, and Staff Reviews (Appraisals). There was no ability to develop new modules for NWBC during the year, due to staffing changes within the HR section. However the Council continued to benefit from cost effective or free training.
- 7.4 During the 2016/17 training year, the Council ran in house courses including Child Protection, Adult Safeguarding and Health and Safety courses (e.g. First Aid, Manual Handling, Safety Audit and Risk Assessment).

8 Safety Management

- 8.1 Managers undertake risk assessments, safe systems of work and safety audits in their work areas.
- 8.2 As part of the revised structure in Human Resources, there will be a 20 hour H&S Officer post for Health & Safety work. This is yet to be filled, as the Division is in discussions with Rugby Borough Council regarding a shared resource. In the interim, the HR Manager ensures health and safety issues are being managed.

9 Employee Relations

- 9.1 The HR team provided advice and support to managers on all HR issues. The HR Manager and the HR Officers provided support to managers and led, where appropriate, on investigations, disciplinary, grievance, and capability relating to performance or attendance. There were 5 disciplinary investigations and 1 dignity at work investigation undertaken between April 2016 and March 2017.
- 9.2 The HR Manager and HR Officers also provided considerable support in the preparation for Hearings and Appeals. Of the disciplinary investigations – 3 resulted in no case to answer and 2 resulted in a dismissal. The dignity at work investigation resulted in management action required to address the issues.

9.3 The HR team co-ordinated the staff survey undertaken in 2016, which achieved a 51% response rate. Overall the results were good and morale, in particular, held up well in very challenging times. The results were sent to all employees in February 2017.

10 Work in the Current Year

10.1 Health and Absence Management

10.1.1 Sickness absence figures for the first three months of the year have improved, in comparison to the equivalent time period in 2016/17. This is primarily due to a reduction in the number of long term cases from 2016/17, with employees returning to work or leaving the organisation.

Type	2016/17 April - June	2017/18 April - June
Short Term	1.05 days per FTE	0.97 days per FTE
Long Term	2.08 days per FTE	0.79 days per FTE
Total	3.13 days per FTE	1.76 days per FTE

10.1.2 Absence management is on going and there are a number of cases currently being dealt with under the Attendance Management Policy. The current status of these cases is as follows:

- 1 employee due to go on to management/formal reviews
- 18 employees are having management/formal reviews
- 15 employees are at Stage 1 of the Policy
- 4 employees are at Stage 2 of the Policy
- 1 employee is at Stage 3

10.1.3 Of the 10 employee cases contributing to the long term figures for the 2017/18 financial year, 1 has sadly passed away due to terminal illness, 7 are back at work and 2 are still off. Those not at work are being managed in line with the policy.

10.2 Pay and Benefits

10.2.1 The 2016-2018 pay deal included a pay award of 1% with effect from 1st April 2017, and an agreement to conduct a review of the NJC (National Joint Council) pay spine. The Council's Pay Policy statement has been updated for 2017/18, and is published on the website. The primary reason for the review of the pay spine is the introduction of the National Living Wage. The principles of the review include:

- Ensuring the pay spine is legally compliant with the National Living Wage and is 'future proofed' to absorb yearly increases in the rate;
- Ironing out uneven steps between each pay point;
- Does not cause equal pay / Single Status issues; and
- Requires the minimum amount of time and effort to implement and assimilate.

10.2.2 The NJC have been considering a range of options on a without prejudice basis, which meet the principles of the review. Costing undertaken on the models has shown that there is not a 'no cost' option.

10.2.3 The forthcoming round of national pay negotiations will be the most significant for a number of years in light of the need to accommodate the provisions of the National Living Wage as it progresses to full implementation by 2020. The pay claim submitted by the Local Government Unions for 2018/19 consists of:

- A 5% increase on all NJC pay points; and
- The deletion of NJC pay points 6, 7, 8 & 9 (the deletion of these pay points to occur after the 5% increase has been applied to ensure that no NJC pay points fall below the Foundation Living Wage rate of £8.45 per hour).

10.2.4 The Assistant Director (Finance & Human Resources) and the HR Manager attended the National Employers Pay Consultation Roadshow held in July 2017, to hear the latest update on the employers' position. The NJC is due to meet again in September and negotiators for the Employers have asked individual councils for views prior to that meeting.

10.3 Employee Relations

10.3.1 Service restructures require staff consultations which the HR Manager and the HR Officers carry out with service managers. These require HR to provide support to both managers and individual members of staff, answer queries and provide any information they require during the process. Restructures are currently in progress in both the Leisure and Housing Divisions, requiring significant input from the HR team. In addition, assistance is being provided on smaller amendments to the terms and conditions of some employees in other services.

10.3.2 In the 2017/18 year, there is currently one ongoing investigation.

10.4 Learning, Training and Development

10.4.1 The apprenticeship levy came into effect from 6 April 2017. The levy is a charge of 0.5% of the employer's annual pay bill, which applies to employers in England, who have an annual pay bill above £3 million. All employers will receive a £15,000 annual allowance, which can be used to fund apprenticeship training. It can't however be used to fund any salary costs. The Council has a target of 2.3%, for its workforce to be apprenticeships from 2017/18 to 2020/21 inclusive. The HR team will assist Divisions with the consideration of apprenticeships, where appropriate, in order to pay due regard to the target and to utilise the annual allowance wherever possible.

10.5 Other Work

10.5.1 Gender pay reporting legislation has been introduced which requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees. Employers in the public sector must base their pay data on staff employed on a "snapshot" date of 31 March each year and will have 12

months to publish the information on their own website and to upload it to a Government website. The HR Manager will action the requirement in due course later on in the year.

10.5.2 The Disclosure & Barring Service (DBS) required the Council to complete a self-assessment audit in May 2017. The audit has indicated that a review of the Council's list of posts requiring DBS checks would be appropriate, to ensure that they meet the DBS eligibility requirement, and the HR Manager will take the lead on this.

11 Report Implications

11.1 Finance and Value for Money Implications

11.1.1 The direct cost of sickness absence depends on the use of additional resources to cover the absence. Most short-term absence is absorbed within sections. However, if sickness is long term, and the service could potentially fail as a result of staff shortages, then there are additional costs to maintain services, either through buying in extra resources or acting up arrangements.

11.1.2 The cost of the pay award for 2018/19 will not be known until an agreement has been reached with the unions later in the year. However it has been acknowledged that it will not be possible to restructure the pay spine without some additional cost for councils.

11.1.3 An apprenticeship levy of £25,000 has been included in the budget for 2017/18.

11.2 Human Resources Implications

11.2.1 As detailed in the report.

11.3 Equality Implications

11.3.1 Under the Equality Act there are specific responsibilities specified under the public sector equality duty to ensure that local authorities meet the general equality duty. In terms of Human Resources there are specific codes of practice for employment and for equal pay.

11.4 Links to Council's Priorities

11.4.1 Effective recruitment and management of the workforce contributes to the Council's priority of making the best use of our resources.

The Contact Officer for this report is Kerry Drakeley (719300)

APPENDIX A

ALL SICKNESS

	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
Division	FTE per Division	FTE per Division	Days Lost by FTE	Days Lost by FTE	Sickness per FTE	Sickness per FTE
Assistant Chief Exec	29.37	28.57	67.94	105.17	2.31	3.68
Corporate Services	27.82	25.82	233.44	172.86	8.39	6.69
Streetscape	58.86	66.09	926.78	839.53	15.75	12.70
Leisure & Comm Dev	50.81	50.56	587.25	524.44	11.56	10.37
Community Services	34.92	37.87	463.64	309.24	13.28	8.17
Finance & HR	15.61	15.75	38.78	40.08	2.48	2.54
Housing	90.46	87.32	1,112.43	1,699.65	12.30	19.46
Internal Audit	2.40	2.40	49.28	23.50	20.53	9.79
Chief Exec	3.72	3.53	46.38	26.05	12.47	7.38
Total	313.97	317.91	3,525.92	3,740.52	11.23	11.77

SHORT TERM SICKNESS

	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
Division	FTE per Division	FTE per Division	Days Lost by FTE	Days Lost by FTE	Sickness per FTE	Sickness per FTE
Assistant Chief Exec	29.37	28.57	67.94	59.73	2.31	2.09
Corporate Services	27.82	25.82	49.44	123.86	1.78	4.80
Streetscape	58.86	66.09	258.16	296.84	4.39	4.49
Leisure & Comm Dev	50.81	50.56	194.38	168.32	3.83	3.33
Community Services	34.92	37.87	165.57	134.36	4.74	3.55
Finance & HR	15.61	15.75	38.78	19.08	2.48	1.21
Housing	90.46	87.32	515.51	442.13	5.70	5.06
Internal Audit	2.40	2.40	3.50	11.50	1.46	4.79
Chief Exec	3.72	3.53	19.38	26.06	5.21	7.38
Total	313.97	317.91	1,312.66	1,281.88	4.18	4.03

LONG TERM SICKNESS

	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
Division	FTE per Division	FTE per Division	Days Lost by FTE	Days Lost by FTE	Sickness per FTE	Sickness per FTE
Assistant Chief Exec	29.37	28.57	0.00	45.43	0.00	1.59
Corporate Services	27.82	25.82	184.00	49.00	6.61	1.90
Streetscape	58.86	66.09	668.62	544.67	11.36	8.24
Leisure & Comm Dev	50.81	50.56	392.87	357.51	7.73	7.07
Community Services	34.92	37.87	298.07	175.36	8.54	4.63
Finance & HR	15.61	15.75	0.00	21.00	0.00	1.33
Housing	90.46	87.32	596.92	1,257.51	6.60	14.40
Internal Audit	2.40	2.40	45.78	12.00	19.08	5.00
Chief Exec	3.72	3.53	27.00	0.00	7.26	0.00
Total	313.97	317.91	2,213.26	2,462.48	7.05	7.74

Reasons for Sickness

	Accident At Work	Anxiety / Dep	Back	Cancer	Chest	Cold	ENT / Eye	Flu	Geni- Urin	Heart	Hyper ten	Musc	Neuro	Op & Post Op	Preg	Stom	Stress	Total
NWBC	221.00	155.46	283.45	52.62	363.12	91.74	117.06	195.65	12.81	15.00	26.41	491.06	220.21	638.79	11.00	359.85	485.30	3740.52

<u>Sickness Code</u>	<u>Description</u>
Accident At Work	Accident At Work
Anxiety/ Depression	Anxiety, Depression
Back	Back & Neck problems
Cancer	Cancer related
Chest	Chest & Respiratory: to include Chest infections
Cold	Cold symptoms
ENT/Eye	Eye, Ear, Nose & Mouth/Dental : to include sinusitis
Flu	Flu symptoms
Genito-Urinary	Genito Urinary: to include menstrual problems
Heart	Heart Blood pressure& circulation
Hypertension	High Blood Pressure
Muscular	Other musculoskeletal problems
Neurological	Neurological; to include headaches and migraine
Operation & Post Op	Operation, Post Op
Pregnancy	Pregnancy related
Stomach	Stomach, Liver, Kidney & Digestion; to include gastro-enteritis
Stress	Stress, Mental health & fatigue
Unknown	No reason known for absence

Agenda Item No 6

Special Sub-Group

15 August 2017

**Report of the
Chief Executive**

Exclusion of the Public and Press

Recommendation to the Board

That under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by Schedule 12A to the Act.

Agenda Item No 7

Home Working – Report of the Assistant Chief Executive (Community Services)

Paragraph 1 – by reason of the need to consider the staffing implications

The Contact Officer for this report is Bob Trahern (719378).

Agenda Item No 8

Leisure Facilities - Staff Structure Review – Report of the Assistant Director (Leisure and Community Development)

Paragraph 1 – by reason of the need to consider the staffing implications

The Contact Officer for this report is Simon Powell (719352).

The Contact Officer for this report is David Harris (719222).