

ANNUAL REVIEW 2015-16

Report of the: Head of HR & Organisational Development

Contact: Shona Mason

Annexes/Appendices (attached):

Other available papers (not attached):

REPORT SUMMARY

This report provides an overview of the following HR matters at Epsom and Ewell Borough Council during 2015-16:

- **Annex 1 - Recruitment Equal Opportunities Monitoring**
- **Annex 2 - Recruitment & Selection Spend / Activity**
- **Annex 3 - Sickness Absence**
- **Annex 4 - Labour Turnover**
- **Annex 5 - Workforce Profile**
- **Annex 6 - Learning & Development**
- **Annex 7 - Employee Relations (restricted document by virtue of paragraph(s) 2 of Part 1 of Schedule 12A to the Local Government Act 1972)**

RECOMMENDATION (S)

That the Panel receives the statistical information for the above activities for the financial year 2015/16.

Notes

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 In order for the Council to achieve its Key Priorities and to meet the needs of the Community Strategy the Council's workforce plays an important role in the delivery of services to Epsom & Ewell Borough residents. During 2015/16 the focus has been on developing capacity for change, developing leadership, creating a new culture and ensuring trust, fairness, equality and respect for all.
- 1.2 Many of the HR activities that take place across the organisation support the Council to provide the best possible services to be delivered through its people. HR services provided include transactional, service delivery and strategic contribution to the organisation.

2 Background

- 2.1 In April 2015 the Council adopted a new management structure with the deletion of two Directors positions and formed a newly established Leadership Team. This team comprises of the Chief Executive, Director of Finance & Resources and 11 Heads of Service.
- 2.2 Feedback was sought from the organisation in order to inform the future HR service that is offered to staff and managers. It identified that the HR service should integrate further within the business, thereby supporting collaborative working and allowing HR to be more proactive with line managers in dealing with people related issues. In order to support a new way of working the HR team underwent some reorganisation with a move towards a business partnering model with both HR Business Advisors being allocated an area of the Council to partner with and a focus on Organisational Development.
- 2.3 There have been significant budget challenges during the year which have resulted in a number of responses. These have included freezes on recruitment and learning and development.
- 2.4 There are always changes in legislation which will continue to impact on the Council. These have included shared parental leave and the introduction of the living wage. Further changes are anticipated in relation to exit/termination payments and gender pay gap reporting.

3 Recruitment

- 3.1 Throughout 2015/16 HR continued to work with managers to ensure that recruitment practices were undertaken in a fair and a consistent way for all recruitment campaigns. This is to ensure that all applicants have an equal opportunity to apply for Council positions and to make the best of their potential. This involves making proactive statements in our job adverts that the Council welcomes applicants from all backgrounds. Applicants are explicitly advised that job criteria needs to be evidenced in the application form showing where applicants meet the criteria. This statement is also in our email regrets. The removal of names on applications forms for shortlisting also continues. HR continues to coach line managers on best practice, equal opportunities, the Equality Act 2010 and interviewing techniques ensuring managers knowledge and understanding of the subject is at the required level and that EEBC remains an equal opportunities employer. HR delivered a recruitment workshop for managers in March 16.
- 3.2 As part of the budgetary constraints there was a recruitment freeze between August and March 16.
- 3.3 Recruitment is an ongoing activity for the organisation and is reviewed regularly to ensure that vacancies are advertised so as to be attractive to potential candidates and that costs are kept under control.

4 Sickness Absence

- 4.1 The importance of managing absence in line with Council policy is one of the key areas where HR offers support and guidance to managers. The number of days lost per employee is 6.76 for 2015/16 and continues to be lower than the public sector average of 8.2 (CIPD National Average for Local Government).
- 4.2 A new Occupational Health provider was secured during the year and took over the EEBC contract from 1 April 2015. The provider is now supporting the Council in dealing with managing absence in a much more proactive way with significantly reduced timescales. They have supported managers in dealing with absence issues in a timelier manner with clear advice and practical support. It is anticipated that savings of at least 50% will be achieved compared with the previous contract. The Council has also changed Employee Assistance Programme (EAP) provider from 1 April 2015 making a small saving while delivering a comparable advice and counselling service to all staff.

5 Workforce Profile

- 5.1 Statistical information for the Workforce profile is presented in Annex 5 and shows that the Council's workforce remains broadly reflective of the Borough's demographic profile.

6 Learning & Development

- 6.1 Due to the difficult financial year with a large projected deficit there was a training freeze from August 15 – March 16. However essential training activity took place which included First Aid, Health & Safety, CPC Driving.
- 6.2 In the past the Council ran an annual wellbeing event however due to financial constraints there has been no event this year. To address this number of lunch "n" learns took place covering wider wellbeing topics which included:
- Safeguarding (The Care Act)
 - Social media safety
 - Committee report writing
 - Nutrition for healthy ageing
 - Surrey Save
 - Health and Safety Policy Launch – Health & Safety & you
(One at TH and one at Depot)
 - Health and Safety Policy Launch – Risk Assessments
 - Health and Safety Policy Launch – event organising
- 6.3 Flu vaccinations were offered again this year where employees could go to their local Boots store and be given the vaccine at any time. 58 employees took up the offer.

- 6.4 A small part of the savings that were made from the change in Occupational Health provider funded the launch of a new employee benefits portal which provides employees with the opportunity to access discounts and cash back on purchases at high street stores as well as expanding the Council's current salary sacrifice portfolio to include mobile phones.

7 Proposals

- 7.1 In the coming year 2016/17 HR's focus will be to take a more proactive approach to help support and develop the organisation using the statistical information to base decision making on. With the recent senior management restructure bedding in and the launch of a new Council Corporate Plan there will be a need to develop a new Organisational Development/People Strategy. The following projects have been initially planned:

Developing Management Capacity & Skills

- 7.2 It is proposed that the Leadership Team will develop a Managers "Huddle" which will be held up to three times a year. The "Huddle" will focus on developing a collaborative approach between the Leadership Team and Managers focusing on updates on key priorities and projects, networking and practical skills. We are also looking to develop a manager's skills checklist to provide a focus for future development opportunities. A working group will be established and delivery of the first "Huddle" is anticipated in October/November 2016.

Review of HR Policies

- 7.3 Current HR policies such as the sickness, capability, disciplinary, grievance and workforce change are complex, inflexible and lengthy. The sickness and capability policy will be reviewed this year to provide HR policies which are clear, concise and support swift action.

Staff Survey

- 7.4 A staff survey is planned for early 2017 to engage with staff and learn from them how the changes within the organisation have affected them.

Review of the Councils Pay & Performance Scheme

- 7.5 It was agreed by Joint Staff Committee and Strategy and Resources Committee that the Council's Pay and Performance scheme will be reviewed. This review has commenced and will be undertaken by the Local Government Association. The review is estimated to cost £12,000 and its findings will be reported back to the Joint Staff Committee.

Looking at other joint working practices/ opportunities

- 7.6 On an ongoing basis opportunities for joint working will be explored and grown where it makes sense to do so. Current arrangements include Payroll and IT. Currently being explored is a joint Building Control project with Mole Valley, Reigate & Banstead, Tandridge and Epsom & Ewell Borough. This will be developed further this year.

Promotion of Development

- 7.7 We will provide opportunities for collaborative-working, shadowing and on-the job training and continue implementing development plans. We will aim to promote other development opportunities through the Surrey Learn Partnership, local colleges, professional bodies and any national schemes, against the backdrop of the challenging financial position.

Promotion of staff wellbeing

- 7.8 Despite budgetary challenges we will continue to promote staff wellbeing and are currently exploring options for future Lunch “n” Learn session to include Mindfulness, Resilience and Nutrition. Further wellbeing initiatives similar to previous years will also be explored.

8 Financial and Manpower Implications

- 8.1 All HR activities take place within agreed budgets.
- 8.2 Savings will continue to be made where possible ensuring the Council can provide a quality HR service in a cost-effective way.
- 8.3 The costs associated with each of the HR activities which are reported on are outlined in the attached annexes.
- 8.4 ***Chief Finance Officer’s comments:*** *The cost of the review of the Council’s Pay and Performance Scheme will need to be found from within existing budgets.*

9 Legal Implications (including implications for matters relating to equality)

- 9.1 EEBC actively promotes equality of opportunity and values the diversity of its workforce. As an equal opportunities employer, it is vital that the Council ensures that all its policies, procedures and processes are open and fair and that staff are not discriminated against during their employment with the Council.
- 9.2 We monitor all parts of the employee relationship from recruitment, induction, training, employee relations, salary and benefits and HR processes to ensure that discrimination does not take place as outlined by the Equality Act 2010.

- 9.3 All HR practices governed by legislation are done so in line with Council's HR policies which adhere to employment legislation. These are updated to reflect any employment law updates throughout the year.
- 9.4 Over and above the need to ensure legal compliance with the Equality Act 2010 and other relevant statutory measures, the Council recognises the benefits of a diverse workforce and of the creation of a working environment based on dignity, respect and professionalism. As well as being ethical and good business practice, this approach will stand the Council in good stead in the future as the workforce becomes increasingly diverse, not just in the Borough but also-importantly- in neighbouring South West London from where the Council recruits many of its staff.
- 9.5 *Monitoring Officer's comments: The legal issues are covered in the body of the report.*

10 Sustainability Policy and Community Safety Implications

- 10.1 None

11 Partnerships

- 11.1 None

12 Risk Assessment

- 12.1 It is imperative that the Council follows fair and consistent HR procedures because the potential costs against the Council should it fail to implement a fair and robust process and procedure could be substantial should an Employment Tribunal claim be successful. As well as the financial costs, the reputational damage to the Council as an elected authority and as an employer could be considerable.
- 12.2 It is worth noting that there is no limit on compensation payable in successful claims of discrimination on the grounds of one of the protected characteristics defined in the Equality Act 2010. There are currently no such claims against the Council.

13 Conclusion and Recommendations

- 13.1 The Committee is asked to receive and note the contents of the report and annexes and identify any areas of concern.

WARD(S) AFFECTED: N/A