

SERVICES SELECT COMMITTEE – 19 JUNE 2012

HUMAN RESOURCES UPDATE

Report of the: Deputy Chief Executive and Director of Corporate Resources

Status: For information

Executive Summary: This report provides a high level overview of recruitment, retention, and workforce development across the authority.

This report supports the Key Aim of Effective use of Council resources

Portfolio Holder Cllr. Ramsay

Recommendation: That this report be noted.

Background and Introduction

- 1 This report provides Members with an update on the key Human Resources strategies and their impacts.
- 2 The Human Resources team has played a key role in managing the result of staffing changes that took place last year. The Human Resources team will continue to support the delivery of challenging future budget savings that remain a pressure due to the economic environment.

Staff Turnover

- 3 The economic downturn and reduced budgets within the public sector have led to a significant reduction in the number of posts held across local government. The Local Government Association research concluded that 214,000 jobs have been lost in local government since December 2010, with a 9.7% drop in the pay bill. In implementing its 10 year budget and four year savings plan Sevenoaks District Council saw its full time equivalent staff count fall by 11%. This is a fall of 47.5 FTE from 435.2 in 2010/11 to 387.6 in 2011/12.
- 4 As a result of such pressure on employment the number of vacancies arising across local government has been falling. This has been mirrored at Sevenoaks District Council.
- 5 During 2011/12 the two Service Managers and two Heads of Service have left the Council, moving on to other organisations due to promotions. This reflects well on the way the Council develops its people. Staff join the Council at officer level, are developed and promoted to managerial positions, where their development continues to the extent that they can move on to Senior appointments. In order to contribute to targets in the four year savings plan both Head of Service positions have been left vacant, with departments restructured to ensure effective

management arrangements are continued. In line with the council's culture of empowering and developing its own staff the Council always seek to redeploy or internally promote staff before considering external recruitment.

- 6 During the last year the Council's staffing numbers have continued to decrease, with 373.9 FTE employees at 1 April 2012. Despite this the requirements placed on staff are increasing as there continues to be pressure for the Council to deliver more for less. To ensure the Council continues to be recognised as one of the best performing and best employers across local government it is essential that it retains its best staff. High staff turnover is disruptive, makes it hard to maintain service standards and results in expenditure on recruitment and temporary staff.

Staff Retention

- 7 Analysis of officers leaving the authority over the past two years shows that staff turnover has reduced. The number of leavers as a percentage of staff in post has decreased from 11.9% in 2010/11 to 7.9% in 2011/12.
- 8 Reflecting the low number of vacancies and improved levels of staff retention, the average length of service increased to 11.4 years in 2011/12 from 10.4 years in 2010/11. This is a positive figure for the organisation overall as it shows the authority is a good employer with market competitive and fair benefits.
- 9 In recent years the Human Resources team has targeted key areas of skills shortages, 2010/11 saw Planning, Building Control and Environmental Health as areas of focus. In 2011/12 HR, Legal and Benefits were the targeted areas in relation to skills shortages. It has been reported nationwide that there are difficulties recruiting to posts in Housing and Council Tax Benefits, particularly frontline posts such as Benefits Assessors. This is due to imminent changes expected from the introduction of Universal Credit and the current uncertainty on local delivery models and the subsequent impact on local authority staff.
- 10 As well as improving retention rates, paying particular attention to areas of skills shortages has increased productivity, efficiency and the Council's ability to deliver high quality services to the community.

Partnership Working

- 11 Since 2011, the Council has successfully implemented partnership working with Dartford Borough Council in respect of Revenues and Benefits, Audit and Fraud, and Environmental Health services. During 2011/12 significant resource was dedicated to supporting the Environmental Health project. The Human Resources team continue to support all Council employees involved in partnership working to ensure that the partnerships work effectively for both councils.

Workforce Planning

- 12 The Human Resources team has successfully led the changes to staff terms and conditions and is pleased to be able to report that all of the Council's employees have signed their new contracts of employment, without the need to dismiss and re-engage any staff. As a result the Council can deliver on the significant element of its saving plan. Successful delivery of this project required careful management

to minimise the impact on staff motivation and retention, particularly at a time when staff will have had no inflationary pay award for four years.

- 13 The Human Resources team is currently working on a revision to its Workforce Development Plan. The revised plan will enable the authority to identify key areas of resource need and plan strategically for any skills shortages and cross training requirements.

Managing Sickness Absence

- 14 A separate report on sickness absence is provided elsewhere on the agenda for this meeting. In summary sickness absence totalled 10.57 days per full time equivalent employee in 2011/12. Of this 3.77 days was categorised as short term sickness absence and 6.8 days as long term sickness absence.
- 15 Revised policies and procedures implemented by the Human Resources team and delivered in partnership with Service Managers successfully reduced the level of short term sickness absence by 36% since 2009/10. However there has been an increase in the levels of long term sickness absence which the Human Resources team has a strategy and action plan to address during 2012/13.

Investing in People

- 16 The Council was first awarded the Investors in People accreditation in 1997. In 2010 it was re-assessed, for the 3rd time, against a newer much improved and harder criteria called New Choices. New Choices allows an organisation to focus its assessment on its key business priorities. The key themes for New Choices are employees feeling valued and empowered, consultation with the workforce, coaching, recognition and reward and continuous improvement. The overall outcome can be Bronze, Silver or Gold.
- 17 Sevenoaks was assessed as Gold, making it the first local authority to be awarded the prestigious Investors in People Gold status. Further to this achievement the Council was also awarded the coveted Champion status making it a key resource for other organisations wishing to establish best practice. Receiving these awards ensured Sevenoaks remains a key employer within local government and ensures that it continues to retain, motivate and recruit the best and most talented officers.
- 18 In November 2012 the Council will be reassessed with the aim to be once again awarded Gold status. The Council will be assessed against up to 189 criteria and despite the difficult period the Council has been through since the last assessment, it is hoped that a positive result will be delivered.

Staff Development

- 19 In March 2012, the Council successfully agreed a NVQ programme which will enable all of the Council's staff to achieve a recognised qualification in customer services. This innovative and unique training programme has been achieved by working in partnership with a training partner, Synergy, and an administrative body, Nescot College.

- 20 The first enrolment is enabling 117 participants to be accredited in NVQ level 2 customer service skills. Participants have applied at all officer levels within the Council. In the four months since the launch of the training scheme the Council has seen a tremendous amount of cross departmental working. Officers are working together to complete their portfolios and gain their individual accreditations. The Council is the first local authority to launch such a scheme.
- 21 In May 2012 the Council launched its coaching scheme. Coaching is being formally launched across the Council to increase productivity and morale. Council officers are being trained as coaches and will then go on to deliver one to one sessions to other officers focused on improving performance. Coaches will not provide answers, but help others to develop themselves by sharing experiences and providing direction to assist in problem solving and knowledge sharing across the organisation. The first project for the Coaches will be working with the NVQ candidates, assisting them with completion of their NVQ portfolios.

Conclusion

- 22 The Council's recruitment and retention and sickness absence levels are likely to remain challenging in the coming year. However it is hoped through careful and effective strategic planning the overall impact will be maintained within manageable levels.
- 23 The actions of the Human Resources team in collaboration with Heads of Service and Service Managers to address staff retention and workforce development continue to deliver significant benefits.
- 24 In overall terms the Council has ensured that in comparative terms it has maintained good levels of recruitment and retention. The Council has continued to build on its excellent reputation as a good employer with the launch of the NVQ and coaching programmes and is confident in achieving the Investors in People Gold status when reassessed in October 2012.

Key Implications

Financial

- 25 None relating to the decision of this report.

Community Impact and Outcomes

- 26 None relating to the decision of this report.

Legal, Human Rights etc.

- 27 None

Resource (non-financial)

- 28 The staff the council employs are one of its most important resources. It is therefore important that they are given the tools and support to deliver to their full potential.

Value for Money

- 29 It is essential that the Council delivers value for money from its workforce. Maximising levels of staff retention, moral and motivation makes the most cost effective use of the workforce and maximises the value for money delivered. Initiatives are being constantly developed to ensure that this happens.

RISK ASSESSMENT STATEMENT

- 30 Failure to maintain a highly skilled and motivated workforce places a significant risk to the Council's ability to deliver on its objectives and to provide high quality services to the community.

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