

# Public Document Pack



## NOTICE OF MEETING

<b>Meeting</b>	Employment in Hampshire County Council Committee
<b>Date and Time</b>	Tuesday, 14th March, 2017 at 10.00 am
<b>Place</b>	Wellington Room, EII Court, The Castle, Winchester
<b>Enquiries to</b>	members.services@hants.gov.uk

John Coughlan CBE  
Chief Executive  
The Castle, Winchester SO23 8UJ

## FILMING AND BROADCAST NOTIFICATION

This meeting may be recorded and broadcast live on the County Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Filming Protocol available on the County Council's website.

## AGENDA

### 1. APOLOGIES FOR ABSENCE

To receive any apologies for absence received.

### 2. DECLARATIONS OF INTEREST

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore all Members with a Non-Pecuniary interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

### 3. MINUTES OF PREVIOUS MEETING (Pages 1 - 8)

To confirm the minutes of the previous meeting

### 4. DEPUTATIONS

To receive any deputations notified under Standing Order 12.

**5. CHAIRMAN'S ANNOUNCEMENTS**

To receive any announcements the Chairman may wish to make.

**6. PAY AND POLICY UPDATE (Pages 9 - 14)**

To consider a report of the Director of Corporate Resources providing an update on proposed Government policy changes.

**7. WORKFORCE REPORT (Pages 15 - 34)**

To consider a report of the Director of Corporate Resources providing a high level overview of key workforce data and trends, excluding staff based in schools.

**Exclusion of the press and public**

**RECOMMENDATION:**

That the press and public be excluded from the meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present, there would be disclosure to them of exempt information within Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, namely that confidentiality in respect of the private terms upon which individuals are employed, and that if the information was disclosed it may be prejudicial to the proper and effective conduct of the County Council's business.

**8. EXEMPT MINUTE (Pages 35 - 36)**

To receive the exempt minute arising from the meeting held on 10 November 2016.

**ABOUT THIS AGENDA:**

**On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.**

**ABOUT THIS MEETING:**

**The press and public are welcome to attend the public sessions of the meeting. If you have any particular requirements, for example if you require wheelchair access, please contact [members.services@hants.gov.uk](mailto:members.services@hants.gov.uk) for assistance.**

County Councillors attending as appointed members of this Committee or by virtue of Standing Order 18.5; or with the concurrence of the Chairman in connection with their duties as members of the Council or as a local County Councillor qualify for travelling expenses.

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# Agenda Item 3

AT A MEETING of the EMPLOYMENT IN HAMPSHIRE COUNTY COUNCIL COMMITTEE held at The Castle, Winchester on 10 November 2016.

## **PRESENT:**

### **Chairman:**

p **Councillor Stephen Reid**

Councillors:

p Vaughan Clarke  
p Adrian Collett  
p Keith Evans  
p Keith House

p Roy Perry  
p John Wall  
a Chris Wood

NB: Councillor Chris Greenwood was in attendance as the Substitute Member for the UKIP Group and Councillor Roger Huxstep was in attendance in regard to Item 9 on the agenda.

## **114. BROADCASTING ANNOUNCEMENT**

The Chairman announced that press and members of the public were permitted to film and broadcast this meeting. Those remaining at the meeting were consenting to being filmed and recorded, and to the possible use of those images and recording broadcasting purposes.

## **115 APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Chris Wood.

## **116. DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest and, having regard to Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Personal Interest in a matter being considered at the meeting they considered, having regard to Part 5, Paragraph 4 of the Code, whether such interest should be declared, and having regard to Part 5, Paragraph 5 of the Code, considered whether it was appropriate to leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with the Code.

**117 MINUTES**

The non-exempt Minutes of the meeting held on 6 July 2016 (Item 3 in the Minute Book) were confirmed as a correct record and signed by the Chairman.

**118. CHAIRMAN'S ANNOUNCEMENTS**

There were no announcements on this occasion.

**119. PAY AND POLICY UPDATE**

The Employment in Hampshire County Council (EHCC) Committee considered the report of the Director of Corporate Resources (Item 5 in the Minute Book) providing an update on proposed Government policy changes; seeking agreement that local discretionary pay policy issues are applied, and to draw Members attention to the work required to review the EHCC pay framework to ensure continued legislative compliance whilst supporting the resourcing requirements of the County Council.

Members noted that the £95K exit payment cap provisions and the exit payments recovery provisions for those earning £80,000 or more who return to public sector employment within 12 months were not yet in force. Further consultation is expected on the exit payment cap provisions with a view to coming into force later in 2017. Current indications are that the exit payments recovery provisions will come into force early in 2017.

Members' attention was drawn to section 3 of the report setting out further government consultations including salary sacrifice for the provision of benefits in kind. The importance of the administrative resource required to implement such a scheme not outweighing the benefit was noted.

In regard to section 4 of the report Members noted that the County Council's usual policy to apply the EHCC pay award to employees who transferred to the County Council on a TUPE transfer or statutory transfer unless the terms of the transfer agreement detailed otherwise had been reviewed and it was considered appropriate to continue with this arrangement. It was further noted that as part of the 2016-18 pay deal, the National Joint Committee (NJC) agreed to a review of the NJC pay spine, due in the main to the introduction of the National Living Wage (NLW). The review was expected to conclude by the end of June 2017. The outcome of this review will be considered in the context of possible changes to the HCC pay framework, and further updates will be provided. In regard to the NLW, Members requested reassurance that it was being correctly applied within the care industry; the Head of HR and Workforce Development would look into the matter.

RESOLVED:

The EHCC Committee approved:

- a) that, in line with HCC policy, the EHCC pay award continues to be applied to those employees who have transferred to HCC on a TUPE transfer or statutory transfer unless the terms of the transfer agreement expressly say something different.

The EHCC Committee noted:

- b) that legislative changes will be incorporated into HCC policies once agreed by the Government;
- c) the successful implementation of the 2016 pay award and the rounding up of the pay awards to enable a fit with technology requirements;
- d) UNISON's additional pay claim for 2017/18; and
- e) that following the introduction of the NLW a review of both the NJC pay spine and HCC's pay framework will be carried out to ensure it continues to meet legislative requirements, that the overall framework remain viable given the significant changes to the lower grade pay scales and that it enables the Councils resourcing priorities.

## 120. **ENHANCED VOLUNTARY REDUNDANCY (EVR2) UPDATE**

The EHCC Committee considered the report of the Director of Corporate Resources (Item 6 in the Minute book) seeking an extension of the current enhanced voluntary redundancy offer (EVR2) to 31 March 2020. Members noted that 123 requests for voluntary redundancy under this policy had been accepted in line with planned restructures. The policy was therefore working well and the proposal to extend the scheme was done in the context of helping to achieve Transformation to 2019.

Attention was drawn to section 4 of the report. Under the County Council's Redundancy Policy, a person who has taken voluntary redundancy cannot be re-employed for a period of 12 months from the termination date unless exceptional circumstances apply and the relevant approvals are obtained. In some cases this restriction is not working for the organisation; an example being an ex-employee who decides on a career change to undertake training to become a teacher. The report proposed that in cases where the necessary approvals were obtained to re-employ a previous member of staff within the 12 month period, this be permitted on the basis that all or an appropriate proportion (sliding scale) of a redundancy payment that exceeds the statutory redundancy amount be repaid, which mirrors the provision in the draft Public Sector Exit Payments Recovery Regulations. Members were supportive of this change particularly in regard to front line service areas.

RESOLVED:

That EHCC Committee:

- a) approve the continued operational deployment of the EVR2 scheme, as referenced at paragraph 3.5 of the report, officers will incorporate any legislative changes into the EVR2 scheme; and
- b) agree the addition of a re-payment facility should the County Council agree to re-engagement following redundancy.

**121. HAMPSHIRE COUNTY COUNCIL PAY STATEMENT – FINANCIAL YEAR 2017/18**

The EHCC Committee considered the report of the Chief Executive (Item 7 in the Minute book) outlining the requirements on the County Council in respect of pay accountability in consequence of the Localism Act, Section 39 of which requires that a Pay Statement be prepared and approved by the County Council prior to 31 March immediately preceding the year to which it relates. The draft Pay Statement for the Financial Year 2017/18 was considered by the Committee, as attached at Appendix A to the report, which included the salary ranges that will apply from 1 April 2017.

RESOLVED:

- a) That the EHCC Committee recommends to the County Council approval of the Pay Statement as detailed in this report and at Appendix A, setting out the County Council's policies in respect of pay accountability for the financial year 2017/18 in accordance with the requirements of the Localism Act.
- b) That the EHCC Committee recommends to the County Council that it remains the appropriate Committee to agree Chief Officer remuneration, for Chief Officers above Grade K, including individual salary offers in respect of any new Chief Officer appointments, any changes to Chief Officer salaries after appointment and any severance packages for Chief Officers leaving the County Council, in accordance with the Pay Statement.
- c) That the EHCC Committee delegates authority to the Chief Executive, in consultation with the Chairman of the EHCC Committee, to make any changes to the draft Pay Statement consequential upon any changes to legislative requirements or other statutory guidance or changes to salaries of staff determine prior to consideration of the Pay Statement by full Council.

**122. UPDATE ON THE APPRENTICESHIP LEVY**

The EHCC Committee considered the report of the Director of Corporate Resources (Item 8 in the Minute Book) providing an update on the latest position regarding the introduction of the Apprenticeship Levy

from April 2017 and the Public Sector Apprenticeship target. In particular, Members attention was drawn to paragraph 2.7 of the report regarding the 'Trailblazer' programme through which employers will be able to develop and propose new apprenticeship standards to meet their organisation's specific needs.

Members also noted that a consultation is underway regarding the introduction of new funding bands for apprenticeships, as outlined in paragraph 2.14 of the report. The banding structure would enable the organisation to engage apprenticeships in a wide range of jobs across the County Council. It would be important to connect the needs of the business with the Apprenticeship Scheme to ensure the most effective use. Karen Murray, Director of Culture, Communities and Business Services will lead a group, supported by HR, optimising the use of apprenticeships, targeting all ages in line with the needs of the business in order to maximise the benefit and opportunities presented by the levy.

RESOLVED:

That the EHCC Committee:

- a) notes the introduction of the Apprenticeship levy, the County Council estimated liability and the current position regarding the introduction of Public Sector Apprenticeship Targets; and
- b) notes that the County Council is committed to optimising the use of apprenticeships, targeting all ages in line with the needs of the business.

### 123. **STAFF DISMISSAL APPEALS**

NB: Councillors Chris Greenwood and Roger Huxstep declared a personal interest as Members of the Regulatory Committee.

The EHCC Committee considered the report of the Chief Executive (Item 9 in the Minute Book) seeking a decision from the Committee to recommend to the County Council that the Constitution and Staff Disciplinary Procedures are amended to reflect a change to the hearing of staff disciplinary appeals against dismissal for misconduct. This was a follow-on report to that considered by the Committee at their July meeting and after consultation with Members of the Regulatory Committee, staff and the Trade Unions.

During the course of discussion, Members noted that there had been a low response rate by Members of the Regulatory Committee and the views of those Members that had responded were mixed. The outcome of the Trade Union consultation was that the majority favoured the proposed way forward. Some Members of the EHCC Committee favoured a wider pool of Members or a separate Committee to deal with these appeals. The Head of Law and Governance drew attention to the discussion at the Committee's July meeting where it had been reported

that having a wider pool of Members has training implications and could lead to Members not regularly hearing appeals and hence not building up experience and knowledge. Some Members of the EHCC Committee also expressed the view that there is a clear divide between the operational accountability of the Council, which ultimately lies with the Chief Executive as Head of Paid Service, and the role of Members of the Council. In all circumstances, there was a consensus of the importance for an appellant to have their appeal dealt with in a timely and effective manner.

The Chief Executive expressed strong reservations about the current arrangements for dealing with appeals against serious misconduct often involving challenging circumstances and resulting in profound decisions with long term implications for both the appellant and the organisation. The efficiency of the current process and the delays is a major issue and had been well documented in the reports brought to the EHCC Committee. The Chief Executive drew Members attention to the good track record of managers getting the majority of staff who have veered off course back on track and this was borne out by the reducing number of dismissals. However for those matters that lead to an appeal, they are increasingly very complex and may culminate in Members attending Employment Tribunals.

The recommendations were put to the vote the outcome of which was three Members preferring to retain the status quo and five Members supporting the proposed way forward of Dismissal Appeals being heard by a panel of officers as set out in paragraph 4.1.2 of the report.

The Chief Executive was requested to prepare a stronger report to reflect the points he had made, as set out above, for consideration by the full Council. It was also suggested that an update of how the new process was working in practice could be included in the annual workforce report, which Members welcomed.

#### RESOLVED:

- a) That EHCC Committee recommends to the County Council that it amend the Constitution to delegate responsibility for hearing staff misconduct dismissal appeals to Officers (other than for Chief Officers).
- b) That subject to the agreement of the County Council referred to at Recommendation a), that the Staff Disciplinary Procedure be amended to reflect the decision of the County Council, as set out at Appendix 3 to the report.
- c) That the Trade Unions be informed that their representations have been considered and of next steps following the outcome of the EHCC Meeting.

**124. EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED:

That the press and public be excluded from the meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there would be disclosure to them of exempt information within Paragraphs 1 and 3 of Part I of Schedule 12A to the Local Government Act 1972, being information relating to an individual and information relating to the financial or business affairs of any particular person (including the authority holding that information) which should not be disclosed for the reasons set out in the report.

**125. EXEMPT MINUTE**

The exempt Minute of the meeting held on 6 July 2016 (Item 11 in the Minute Book) was confirmed as a correct record and signed by the Chairman.

**126. MANAGEMENT CAPACITY - UPDATE**

The Committee considered and approved the exempt report of the Chief Executive (Item 12 in the Minute Book) providing an update on management capacity to support the County Council's Transformation Programmes.

(SUMMARY OF AN EXEMPT MINUTE).

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## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee/Panel:</b>	Employment in Hampshire County Council
<b>Date:</b>	14 March 2017
<b>Title:</b>	Pay and Policy Update
<b>Report From:</b>	Director of Corporate Resources

**Contact name:** Nichola Andreassen

**Tel:** 01962 847361

**Email:** nichola.andreassen@hants.gov.uk

#### **1. Executive Summary**

1.1 The purpose of this report is to provide an update on proposed Government policy changes.

#### **2. Update on government exit proposals**

##### **2.1 £95k exit payment cap**

2.2 Provisions in respect of the £95k exit payment cap on the total value of an exit payment made to an individual with redundancy payments and any pension strain charges are contained within the Enterprise Act 2016 following Royal Assent on 4 May 2016. Draft regulations have been produced, however there is still no definitive timescale for commencement. It is anticipated they will take effect in Spring 2017.

##### **2.3 Public sector exit payments recovery for those earning £80,000 or more who return to the public sector within 12 months**

2.4 Primary legislation is in force in the 2015 Small Business, Enterprise and Employment Act for Regulations to be made requiring, in certain circumstances the repayment of Public Sector Exit Payments. Draft regulations have been produced, however, there is still no definitive timescale for commencement. It is anticipated they will take effect in Spring 2017.

##### **2.5 Further Reforms to Public Sector Exit Payments**

2.6 Updates to legislation as a result of the consultation are still awaited.

### **3 Updates on Government Consultations**

#### **3.1 Mandatory Gender Pay Gap Reporting for Public Sector Employers**

3.2 The government response to the consultation was published on 9 December 2016. The final regulations were published on Friday 20 January 2017.

3.3 The key requirements are for employers with more than 250 employees to publish the following:

- The difference in mean and median pay between males and females
- The difference in mean and median bonus pay between males and females
- The proportions of male and female employees who were paid bonus pay and
- The proportions of male and female employees in each quartile of their pay distribution

The pay information must be based on data from a snapshot date of 31 March every year, beginning with 31 March 2017. The bonus information must be based on the preceding 12-month period, beginning with the 12 months leading up to 31 March 2017.

3.4 The systems and processes needed to collate data in order to meet the requirements are being developed and the planning of the communications with regards publication are underway.

#### **3.5 Simplification of the tax and National Insurance treatment of termination payments**

3.6 Consultation on the government's response to the 2015 consultation on termination payments closed in October 2016. At the time of writing, the outcome of the consultation and the Government's response is still awaited.

#### **3.7 Fair Deal for public sector worker pensions**

3.8 The outcome of the consultation and the Government's response is still awaited.

#### **3.9 Teachers' Pensions Consultation**

3.10 The outcome of the consultation is still awaited.

### **4 Pay award update**

4.1 The pay award agreed in 2016 was a two year pay deal. The 2016 national pay award was applied to staff on EHCC terms and conditions and Chief Officers in August 2016, backdated to 1 April 2016. The 2017 pay award will be applied in April 2017 which will encompass the increase to the National Living Wage.

## 4.2 Future developments

As reported previously, the future impact of the annual changes to the National Living Wage on the HCC pay framework are being analysed. This is in early development stages and further updates will be provided as the review continues.

## **5 Recommendations**

### 5.1 EHCC are asked to note:

- a) Legislative changes will be incorporated into HCC policies once agreed by government
- b) That the National Living Wage will be automatically uplifted in the Council's pay framework.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

These government proposals do not link to the Corporate Strategy but potentially impact the County Council's workforce strategy.

**Other Significant Links****Links to previous Member decisions:**

<u>Title</u>	<u>Reference</u>	<u>Date</u>
Update on proposed Government policy changes	6988	11 November 2015
Update on Government proposed policy changes	7325	9 March 2016
2016 National Pay Award and National Living Wage	7338	9 March 2016
Pay and Policy Update	7874	10 November 2016

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None.

## IMPACT ASSESSMENTS

### 1. Equality

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

**Due regard in this context involves having due regard in particular to:**

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

### 1.2 Equalities Impact Assessment:

It is too early to determine whether there is any equalities impact, as the government have not published the full details of these proposed policy changes.

### 2. Impact on Crime and Disorder:

2.1 Not applicable.

### 3. Climate Change:

(a) How does what is being proposed impact on our carbon footprint / energy consumption?

Not applicable.

(b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Not applicable.

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## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Committee/Panel:</b>	Employment in Hampshire County Council
<b>Date:</b>	14 March 2017
<b>Title:</b>	Workforce Report
<b>Report From:</b>	Director of Corporate Resources

**Contact name:** Nichola Andreassen

**Tel:** 01962 847631

**Email:** [nichola.andreassen@hants.gov.uk](mailto:nichola.andreassen@hants.gov.uk)

#### 1. Executive summary

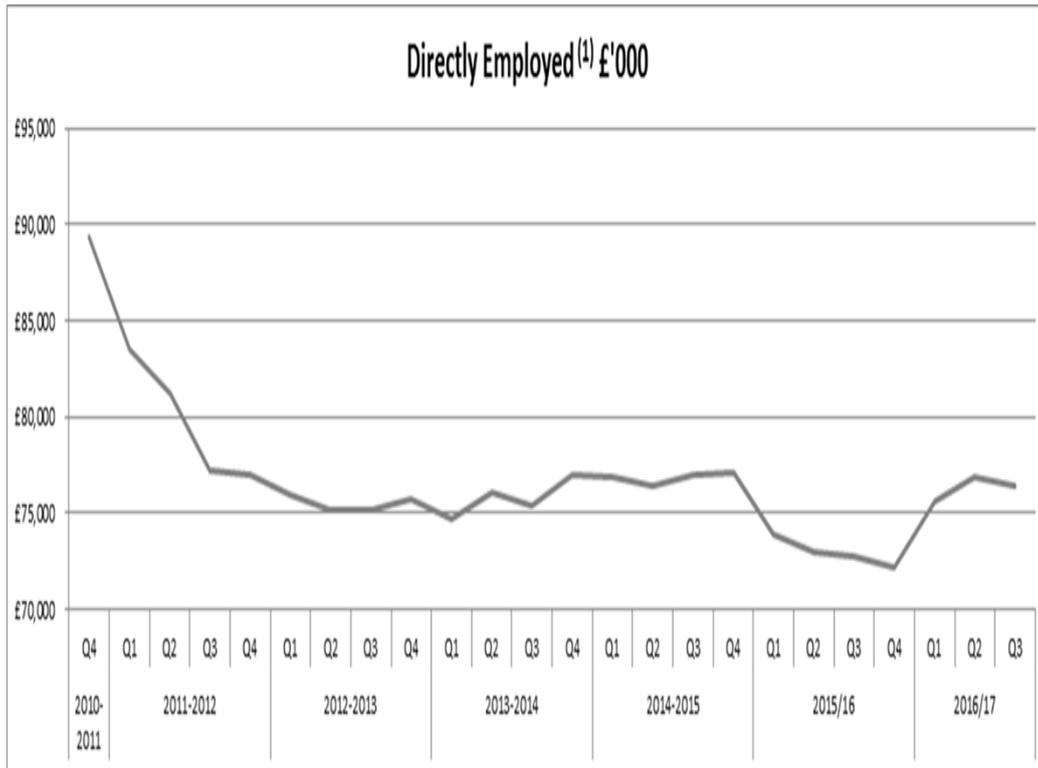
1.1 This report provides a high level overview of key workforce data and trends in order to inform EHCC's work programme and any further areas of policy that need to be progressed. The statistics exclude staff based in schools.

1.2 The report covers the following:

- Workforce pay costs per month since Sept 2010
- Workforce numbers (fte)
  - overall and variance from Sept 2010 and current month
  - by grade and variance from Sept 2010 and current month
- Starters and leavers
- Turnover
- Sickness
- Performance
- Recruitment

#### 2. Directly Employed Workforce pay costs

2.1 The table below shows the workforce costs for directly employed staff. The costs include both National Insurance and pension costs on top of basic salaries and overtime paid in the period specified This data excludes Schools staff costs, agency and casuals.



2.2 The increase in workforce costs during 14/15 was principally due to the significant number of staff TUPE transferring into the organisation at that time. The majority of the staff transferred into Corporate Services and were as a result of the new shared service partnership arrangements (A summary of staff TUPE transferring into the organisation is at Appendix 5.

2.3 The main factors accounting for the majority of the increase in workforce costs in 16/17 are the changes to National Insurance (NI), the national pay award and to a lesser extent the National Living Wage (NLW), all of which came into effect from 1 April 2016.

2.4 From April 2016 the Council has had to pay the standard rate of National Insurance contributions instead of the previous contracted-out rate and are no longer in receipt of the 3.4% National Insurance rebate.

2.5 In addition to the above the Council has seen a small increase in workforce costs in some departments in order to support income generation and business growth.

**3. Comparison of workforce numbers (headcount) from September 2010 to December 2016 by grade**

3.1 The following tables show the workforce headcount (excluding schools) by grade and by gender.

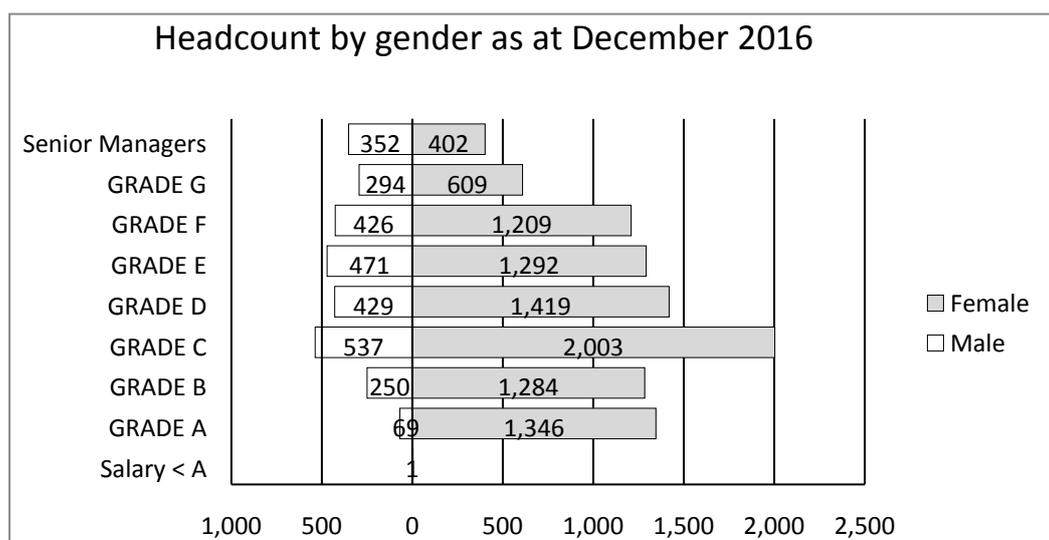
3.2 *This information provides for employed staff only, and not budgeted establishment. As can be seen by the data, there continues to be a reduction in senior managers, with an overall reduction of 16.7% between September 2010 and December 2016. The County Council's strategy of growing and*

trading services has provided for increases in professional business, and this activity, alongside the partnership with Hampshire Constabulary, Hampshire Fire and Rescue and Oxfordshire County Council has led to some increases in management positions in specific areas.

The table and chart below shows headcount by grade. For reporting purposes only, staff on non-EHCC terms and conditions are aligned to the nearest equivalent EHCC pay grade. This includes, for example, teachers (non schools), and accounts for what appears to be an increase at grade G when in real terms, this is merely a reporting consequence as a result of the teachers national pay award being applied which then re-aligned them from grade F to grade G.

The increase in staff at grade A is mainly due to growth of traded catering services to Hampshire Schools, necessitating the recruitment of additional staff to deliver the service.

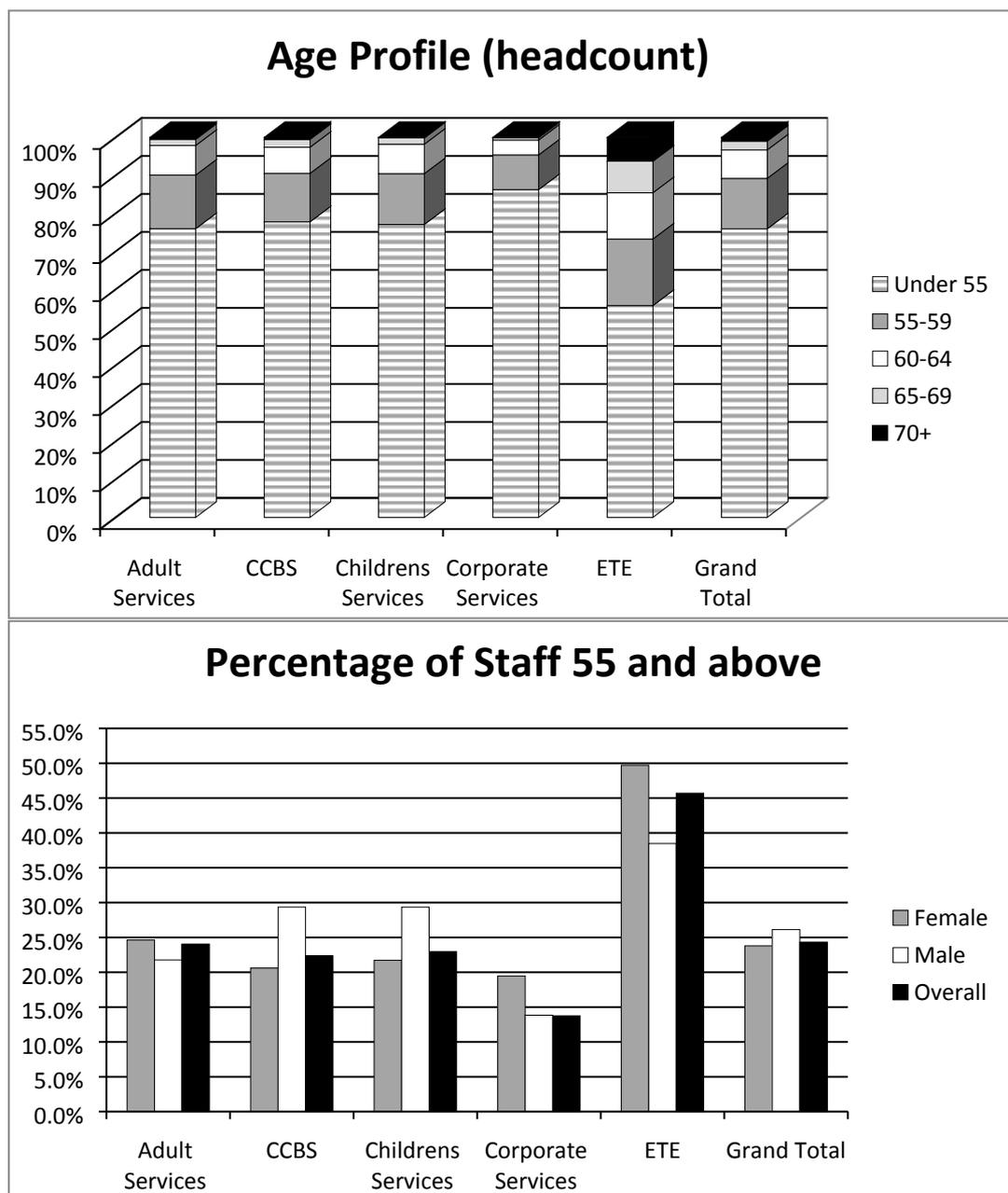
Grade	Sep-10	Dec-16		Overall Result Headcount	Variation
	Overall Result Headcount	Female Headcount	Male Headcount		
Senior Managers	863	402	352	754	↓
GRADE G	818	609	294	903	↑
GRADE F	2423	1209	426	1635	↓
GRADE E	2163	1292	471	1763	↓
GRADE D	2354	1419	429	1848	↓
GRADE C	3197	2003	537	2540	↓
GRADE B	1883	1284	250	1534	↓
GRADE A	1170	1346	69	1415	↑
Salary < A	17	4	1	5	↓
Overall Result	14888	9568	2829	12397	↓



Note: This may include staff who are paid according to pay structures other than EHCC07. They have been included in the substantive grade whose salary range matches their annual fte salary or, if between ranges, the grade below.

4.0 The following bar charts shows the profile of staff aged 55 and over by

department as at 31 December 2016 and the gender distribution for those staff aged 55 and above. The proportion of the workforce aged over 55 in ETE is inflated by the number staff working in School Crossing Patrol and School Escort roles, whereas for Corporate Services, the younger age profile is reflective of the workforce within the Integrated Business Centre. Further detail is provided at appendix 1.

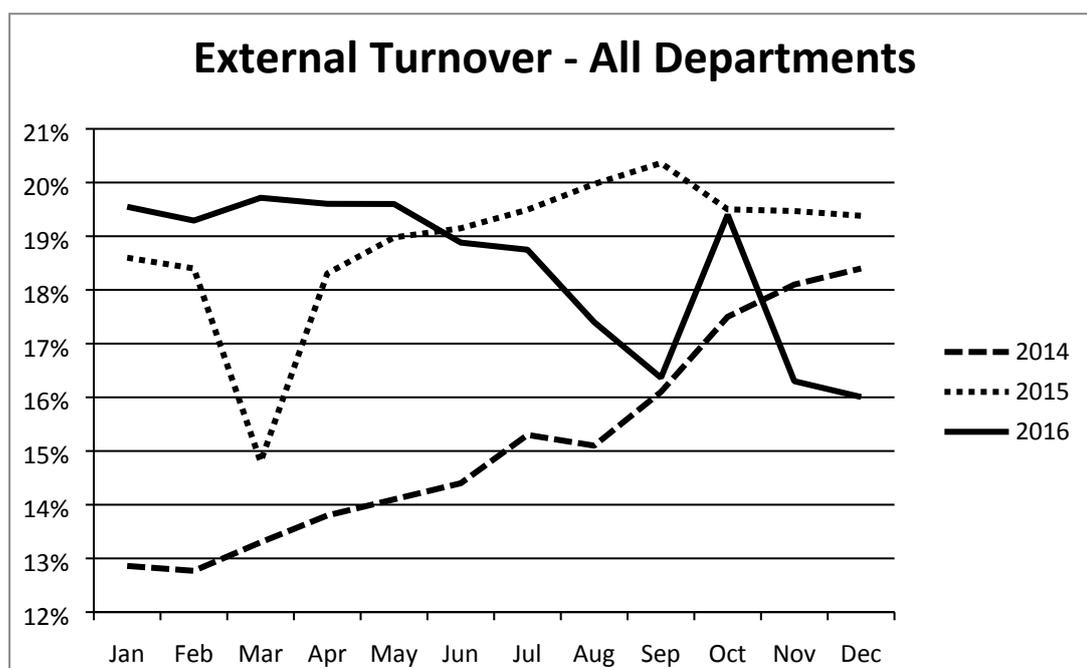


## 5. External turnover

5.1 The following table shows external turnover for Hampshire County Council over the past 3 years. Detail by department for 2016 is included at appendix 2 and further historic trend information is available on the intranet.

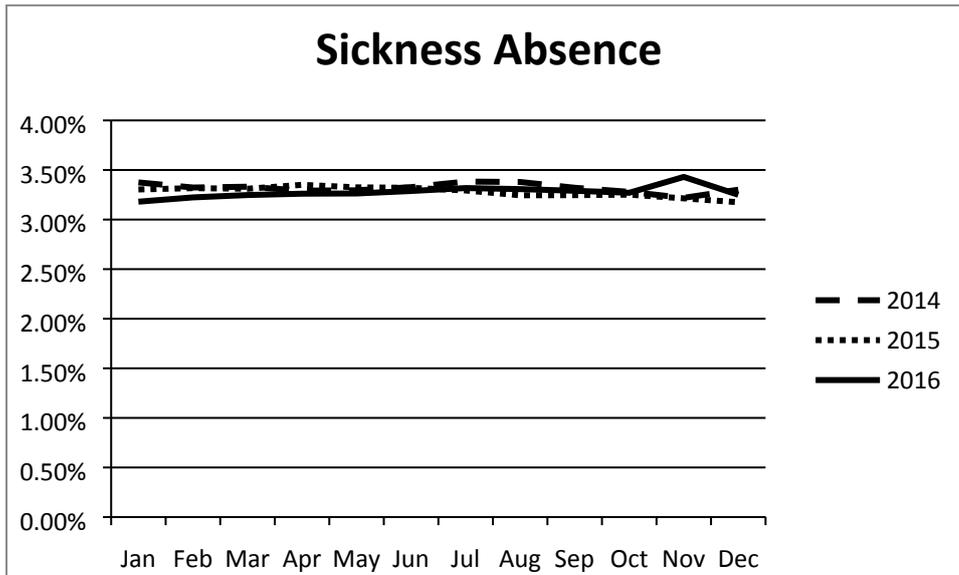
5.2 External turnover data reflects the long term trend towards reduced

headcount, with peaks in turnover rates being as a result of planned activity related to Transformation to 2015 and 2017 (T15, T17) work-streams, including Enhanced Voluntary Redundancies. You will note in appendix 2 that there is a higher turnover rate within CCBS. This mainly due to higher turnover of catering assistants which is typical for this type of role. Given this, a proactive recruitment and training model operates to ensure teams are fully resourced and skilled to meet business need.



## 6. Sickness Absence Data by percentage of working hours lost

- 6.1 The table below shows absence levels to be at a consistent level of between 3.17% and 3.43% over the last 3 year period. The difference between the levels of sickness during 2015 as compared to 2016 may, in part, be attributed to an increased effort across the organisation with robust management actions and compliance with sickness reporting requirements by staff.



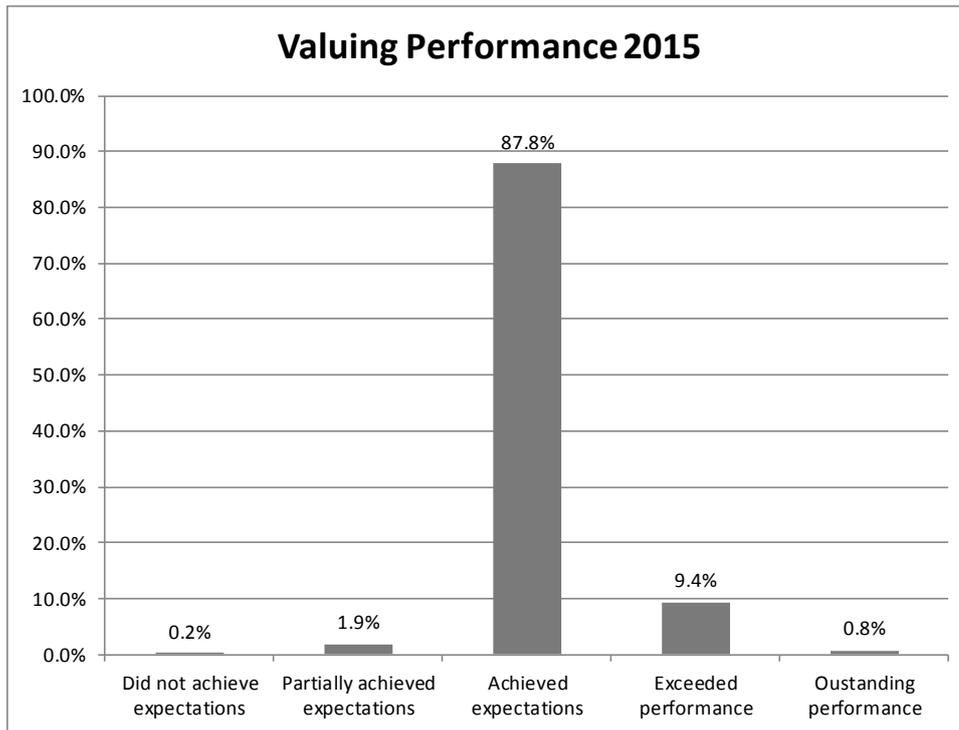
6.2 During 2016 sickness rates are consistently below the national average of 3.3% in the public sector (source CIPD Annual Survey Report: Absence Management 2016). The small increase in sickness absence in November 2016 was principally the result of seasonal illnesses (i.e. viral infections and colds etc.).

6.3 This data is kept under review by directorates and is also being used to inform the Corporate Health and Wellbeing Strategy. Further detail is provided at appendix 3.

## 7.0 Employee Performance

7.1 The Council has an employee performance framework (Valuing Performance) in place that is designed to ensure that everyone is motivated to deliver high performance for our communities. The following table shows employee performance during 2015 against the Valuing Performance rating scale. As can be seen, 98% of staff are delivering at or above the required level of performance. Managers address the performance of those members of staff who are not achieving the required level.

7.2 The Valuing Performance Framework appraises staff performance against achievement of their objectives and behaviours. Valuing Performance data for 2016 is not available at the time of writing this report, however a verbal update will be provided to EHCC.



## 8.0 Recruitment 'hot spots' / challenges

- 8.1 The organisation continues to monitor the recruitment context and work with colleagues in other authorities in order to ascertain whether pressures and challenges are Hampshire specific, regional and / or national.
- 8.2 There is a changing national and local recruitment and retention context; the following are some of the critical aspects that we are mindful of and are paying particular consideration to:
- The low unemployment rate in Hampshire County Council area
  - Different career expectations of 'Generation Y' and more workers are making career changes during their working life
  - Insufficient places at university for key vocational training and fewer people going to university
  - The reduction in development / trainee roles within organisations
  - A greater number of individuals leaving the public sector
  - An older workforce in particular key professions
  - The agency / contractor work option which can offer better financial reward
  - The pace of change and workload challenges in a modern public service setting
  - Greater competition for skilled workers in some sectors e.g. engineering
  - Disparity in pay with the private sector
  - The cost of living in the South East and proximity to London
  - The National Living Wage (NLW)
- 8.3 HR continue to work closely with each directorate to understand the key recruitment and retention issues for each service area taking account of the

local, regional and national context. The recruitment and retention issues can be grouped into three categories of role:

- Professional roles where there are national shortages
- Specialist and professional roles where there is significant private sector competition
- Roles where there is competition with other sectors for the available labour (e.g. retail)

<b>Professional roles where there are national shortages:</b>	
<b>Role:</b>	<b>Specific action taken to address the recruitment / retention issue</b>
<ul style="list-style-type: none"> <li>• Nurses</li> </ul>	<ul style="list-style-type: none"> <li>• Increased recruitment of Nurse Practitioners, lessening the burden on Nurses</li> <li>• Talent pipelines with local universities nurse students</li> </ul>
<ul style="list-style-type: none"> <li>• Teachers</li> <li>• Head teachers</li> <li>• School Improvement professionals</li> </ul>	<ul style="list-style-type: none"> <li>• Teacher workload groups to develop approaches to reduce workload impact</li> <li>• Working in partnership with Hampshire Initial Teacher Training providers to improve local recruitment</li> <li>• Run local returners programmes in teaching</li> <li>• Continued attendance at local and national careers events to promote our opportunities</li> <li>• developing relationships with post-16 colleges, in order to encourage Hampshire students to consider a career in teaching</li> <li>• Development of a teacher conversion-course, in partnership with University of Winchester, to enable secondary teachers to retrain in core subject areas</li> <li>• Contributing to national discussions regarding the future of teaching, the evolution of the teaching role and whether there is a place for teacher apprenticeships</li> </ul>
<ul style="list-style-type: none"> <li>• Social Workers (particular teams)</li> <li>• Adult Social Work Senior Practitioners</li> <li>• Approved Mental Health Practitioners</li> </ul>	<ul style="list-style-type: none"> <li>• participation in national graduate training for Children's social work</li> <li>• Review of current market supplements for Social Workers and AMHPs</li> <li>• Run local returners programmes social</li> </ul>

(AMHPs)	work
<ul style="list-style-type: none"> <li>Occupational Health Advisers</li> </ul>	<ul style="list-style-type: none"> <li>In-house trainee programme for newly qualified OHA's</li> </ul>
<b>Specialist and professional roles where there is significant private sector competition:</b>	
<b>Role:</b>	<b>Specific action taken to address the recruitment / retention issue</b>
<ul style="list-style-type: none"> <li>General and specialist engineering roles</li> </ul>	<ul style="list-style-type: none"> <li>Focus on graduate and apprenticeship recruitment, including implementation of Civil Engineering Scholarship Scheme with the Universities of Southampton and Portsmouth</li> </ul>
<ul style="list-style-type: none"> <li>Transport Planners</li> <li>Strategic Planners</li> <li>Surveyors</li> </ul>	<ul style="list-style-type: none"> <li>Development of careers pages for specialist roles within Highways, Traffic &amp; Transport, to be promoted via social media strategy</li> <li>Continued development of Property Services Generalist Graduate Scheme</li> </ul>
<ul style="list-style-type: none"> <li>Workshop Technicians and Managers</li> </ul>	<ul style="list-style-type: none"> <li>Review of current market supplements</li> </ul>
<ul style="list-style-type: none"> <li>IT professionals (particular teams)</li> </ul>	<ul style="list-style-type: none"> <li>Review of current market supplements</li> </ul>
<b>Roles where there is competition with other sectors for the available labour (e.g. retail):</b>	
<b>Role:</b>	<b>Specific action taken to address the recruitment / retention issue</b>
<ul style="list-style-type: none"> <li>Care assistants</li> </ul>	<ul style="list-style-type: none"> <li>Development of careers pages for roles in Care Homes, publicised through social media / banners outside each location</li> <li>Information leaflets created and dropped at critical hard-to-recruit locations for Adult Care roles</li> </ul>
<ul style="list-style-type: none"> <li>Catering assistants</li> </ul>	<ul style="list-style-type: none"> <li>Pro-active and timely recruitment campaigns to ensure resource levels are maintained to meet business needs</li> </ul>
<ul style="list-style-type: none"> <li>Shared Services administrative roles</li> </ul>	<ul style="list-style-type: none"> <li>Intensive summer recruitment drive for Shared Service administrators</li> <li>bi-yearly apprenticeship focussed recruitment initiatives within Shared Services</li> </ul>

	<ul style="list-style-type: none"> <li>Resilience initiatives being developed and put in place for Shared Services</li> </ul>
<ul style="list-style-type: none"> <li>School Escorts and School Crossing Patrols</li> </ul>	<ul style="list-style-type: none"> <li>Work planned around raising the profile of School Escorts and School Crossing Patrols, including developing careers pages</li> </ul>

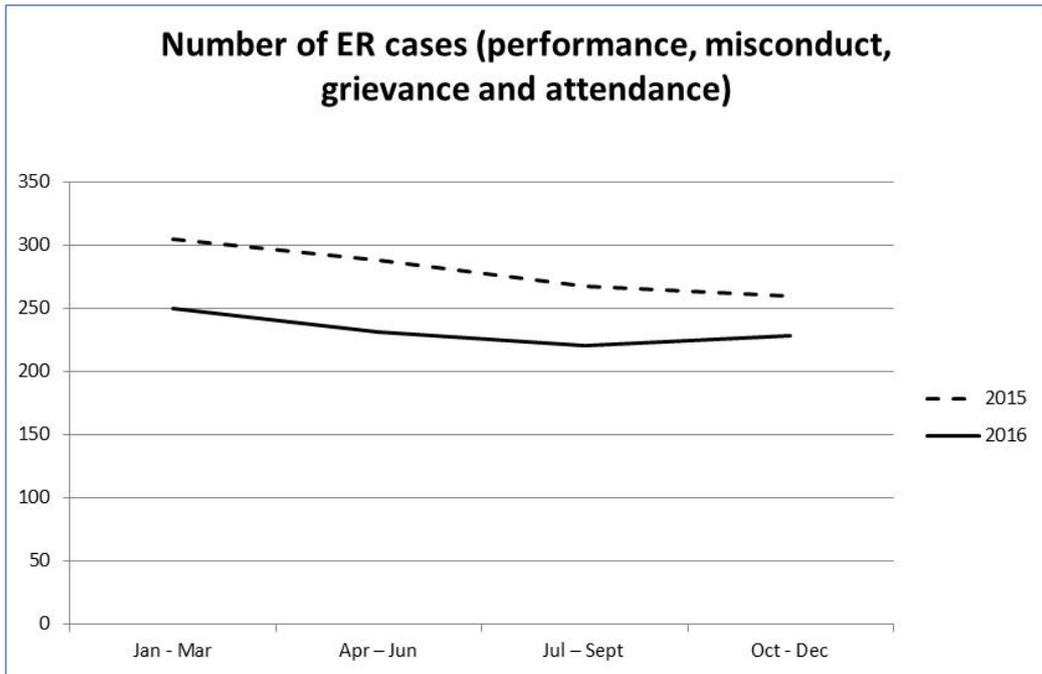
8.4 In addition, the Council is undertaking the following activity with the aim of impacting a number of recruitment and retention issues:

- Developing a new Workforce Development Strategy in order to place a focus on succession planning, skills development both of which will assist with retention and re-inforcing the Council as a good employer
- Better use of social media and a wider range of recruitment methodologies e.g. recruitment fairs, leaflet drops, open days; open ended campaigns
- Pro-actively recruiting talent ahead of expected need in high volume or specialist areas
- Exploring alternative recruitment approaches, such as a values based approach for roles within both Adult Services and CCBS
- Review of the candidate journey, to simplify and improve the application process, access to relevant information and end to end on-boarding
- Identification of apprenticeship opportunities and maximise the draw down of the new apprenticeship levy
- Developing links with the Career Transition Partnership to identify recruitment opportunities for ex-military personnel resettling into civilian life and employment opportunities for those with disabilities
- Better coordination of recruitment activity
- Continued development of careers pages and optimise our digital platform
- Application of market supplements for key roles where we are facing significant private as well as public sector competition
- Researching and creating a proposal around Employer Branding activities, including optimising our approach to using social media as a recruitment tool.

## 9 Employee Relations Casework

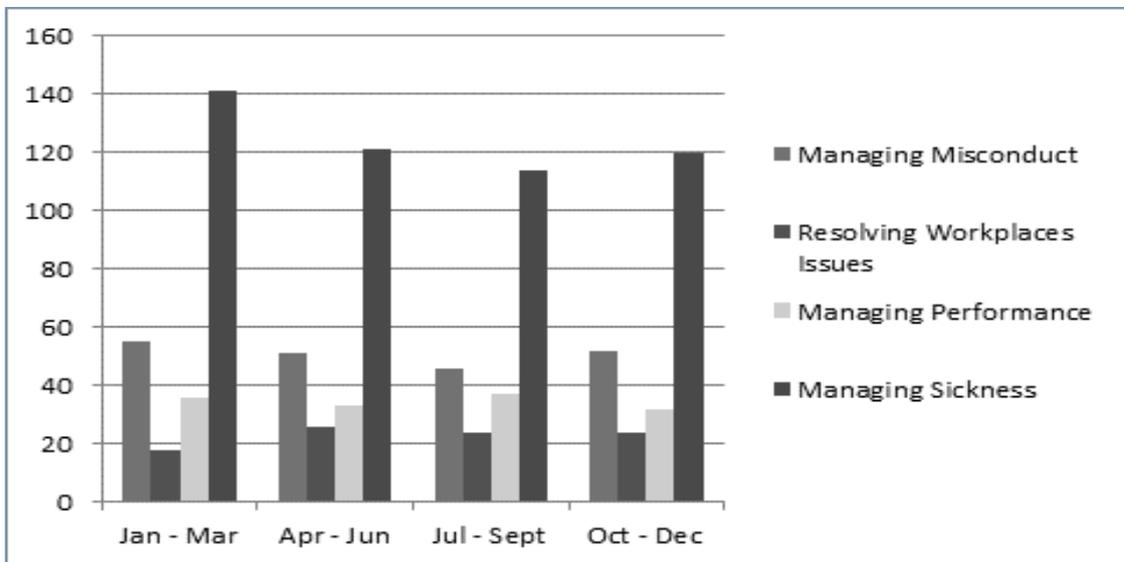
9.1 The following table and graph summarises the number of live employee relations cases for the categories of performance, misconduct, grievance and attendance during 2015 and 2016, by quarter:

	Jan - Mar	Apr – Jun	Jul – Sept	Oct - Dec
2015	305	288	268	260
2016	250	231	221	228

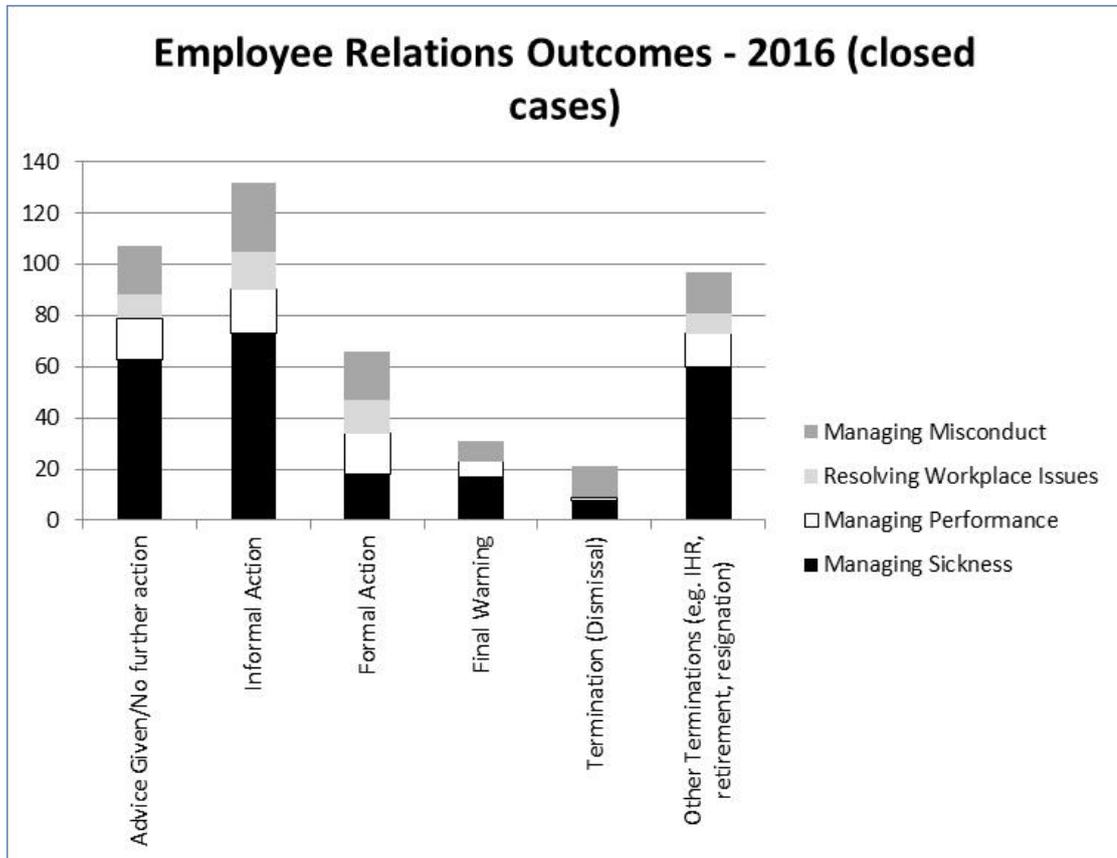


9.2 The following table summarises the number of cases by Employee Relations category by each quarter for 2016. A further breakdown by department is at Appendix 4.

Category	Jan – Mar	Apr – Jun	Jul – Sept	Oct - Dec
Managing Misconduct	55	51	46	52
Resolving Workplaces Issues	18	26	24	24
Managing Performance	36	33	37	32
Managing Sickness	141	121	114	120
<b>Total</b>	<b>250</b>	<b>231</b>	<b>221</b>	<b>228</b>



9.3 The following chart summarises the outcomes for closed employee relations cases during 2016



## 10. Recommendations

10. There are no new or unexpected trends in the workforce data and as such the  
 1 organisation currently has the necessary workforce policies and measures in place to meet the requirements of the Council.

EHCC are asked to note the activities which are being currently undertaken  
 10. and confirm that the contents of the report is made available as part of the  
 2 member induction programme following the elections in order to assist new and refresh existing councillors on the workforce profile.

**CORPORATE OR LEGAL INFORMATION:**

**Links to the Corporate Strategy**

Hampshire safer and more secure for all - Yes

Maximising well-being - Yes

Enhancing our quality of place - Yes

**Other Significant Links**

**Links to previous Member decisions:**

<u>Title</u>	<u>Reference</u>	<u>Date</u>
Recruitment in Hampshire County Council	6870	8 July 2015

**Section 100 D - Local Government Act 1972 - background documents**

**The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)**

Document

Location

None.

## IMPACT ASSESSMENTS

### 1. Equality

#### 1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

#### 1.2 Equalities Impact Assessment:

No impact.

### 2. Impact on Crime and Disorder:

#### 2.1 Not applicable.

### 3. Climate Change:

#### 1.1. How does what is being proposed impact on our carbon footprint / energy consumption?

Not applicable.

#### 1.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Not applicable.

**Appendix 1**

The following table shows the profile of staff aged 55<sup>1</sup> and over by department as at December 2016. The percentages provided are based on headcount and not full-time equivalent.

Department	Under 55			55-59			60-64			65-69			70+			Total 55 and above			Total Staff In Department		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Adult Services	1995	532	2527	384	85	469	205	54	259	46	8	54	17	1	18	652	148	800	2647	680	3327
CCBS	2347	522	2869	350	120	470	191	63	254	48	28	76	20	6	26	609	217	826	2956	739	3695
Childrens Services	1751	308	2059	295	62	357	159	48	207	28	16	44	4	2	6	486	128	614	2237	436	2673
Corporate Services	575	467	1342	91	51	142	41	20	61	5	4	9	2		2	139	75	214	714	542	1556
ETE	428	291	719	155	71	226	116	41	157	71	36	107	81	34	115	423	182	605	851	473	1324
Grand Total	7396	2120	9516	1275	389	1664	712	226	938	198	92	290	124	43	167	2309	750	3059	9705	2870	12575

## Appendix 2

The following tables show external turnover by department during 2016. Further historic trend information is available on the intranet.

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16
<b>Adults</b>	16.8%	16.9%	18.0%	18.1%	18.1%	16.4%	16.4%	15.8%	14.3%	15.8%	15.2%	14.6%
<b>Childrens</b>	18.6%	18.4%	17.9%	18.1%	18.0%	17.4%	17.4%	16.3%	16.7%	17.6%	17.3%	17.6%
<b>CCBS</b>	23.4%	23.2%	24.1%	23.9%	23.8%	23.5%	23.6%	21.8%	20.2%	23.9%	19.4%	19.0%
<b>ETE</b>	17.5%	17.0%	17.9%	17.0%	17.1%	16.4%	16.4%	14.0%	12.8%	17.2%	11.5%	12.0%
<b>Corporate</b>	19.4%	18.7%	17.5%	17.1%	17.1%	17.6%	16.3%	14.9%	13.9%	21.0%	13.3%	12.5%
<b>All</b>	19.5%	19.3%	19.7%	19.6%	19.6%	18.9%	18.7%	17.4%	16.4%	19.4%	16.3%	16.0%

The turnover rates take account of increased exits as a result of EVR, and for CCBS there is a general position of higher turnover in catering roles.

**Appendix 3**

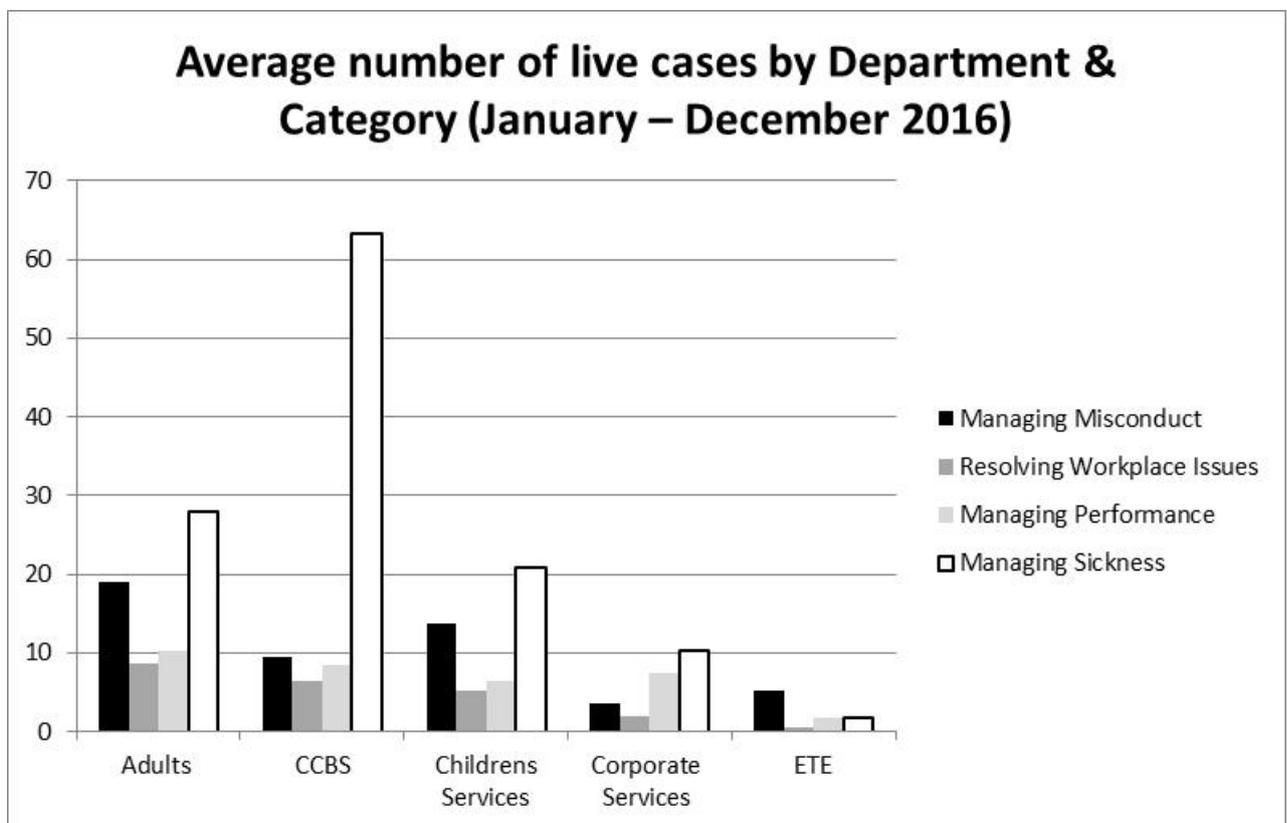
**Sickness Absence Data by percentage of working hours lost**

	<b>Jan-16</b>	<b>Feb-16</b>	<b>Mar-16</b>	<b>Apr-16</b>	<b>May-16</b>	<b>Jun-16</b>	<b>Jul-16</b>	<b>Aug-16</b>	<b>Sep-16</b>	<b>Oct-16</b>	<b>Nov-16</b>	<b>Dec-16</b>
<b>Adult Services</b>	4.27%	4.32%	4.36%	4.36%	4.37%	4.41%	4.54%	4.55%	4.52%	4.51%	4.56%	4.45%
<b>Children's Services</b>	3.49%	3.51%	3.47%	3.46%	3.44%	3.47%	3.43%	3.38%	3.38%	2.40%	3.52%	3.60%
<b>CCBS</b>	2.75%	2.76%	2.79%	2.80%	2.80%	2.76%	2.73%	2.69%	2.67%	2.70%	2.67%	2.70%
<b>ETE</b>	1.79%	1.88%	1.94%	2.00%	2.08%	2.16%	2.14%	2.15%	2.19%	2.23%	2.25%	2.34%
<b>Corporate Services</b>	2.28%	2.34%	2.42%	2.45%	2.45%	2.49%	2.54%	2.58%	2.56%	2.60%	2.81%	2.49%
<b>All Departments</b>	3.18%	3.22%	3.25%	3.26%	3.26%	3.29%	3.32%	3.31%	3.29%	3.27%	3.43%	3.25%

## Appendix 4

HR Employee Relations Casework – Average number of live cases by Department & Category (January – December 2016)

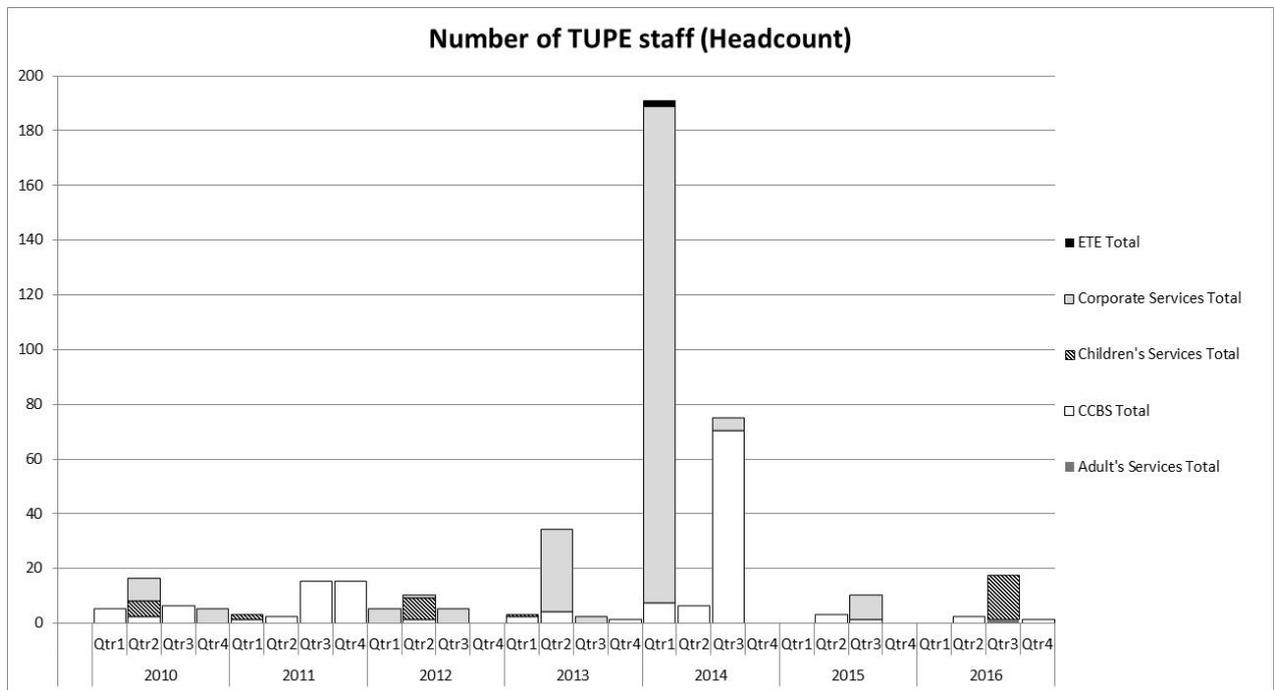
	Managing Misconduct	Resolving Workplace Issues	Managing Performance	Managing Sickness
Adults	19	9	10	28
CCBS	10	7	9	63
Childrens Services	14	5	7	21
Corporate Services	4	2	8	10
ETE	5	1	2	2
Total	51	23	35	124



The number of Managing Sickness cases in CCBS are mainly in the area of HC3S and are reflective of the pro-active approach management take in closely monitoring and taking action in a timely manner.

## Appendix 5

TUPE transfers into the Council 2010 to 2016 by department



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By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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