

# 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

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### 1. Executive summary

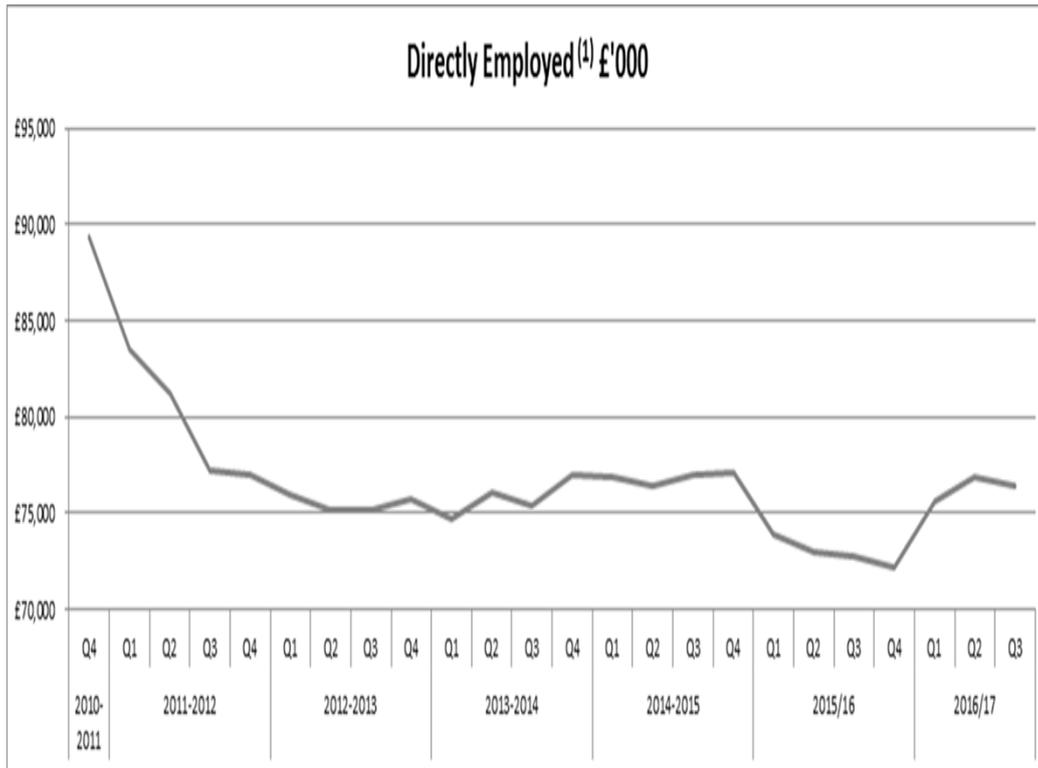
1.1 This report provides a high level overview of key workforce data and trends in order to inform EHCC's work programme and any further areas of policy that need to be progressed. The statistics exclude staff based in schools.

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.

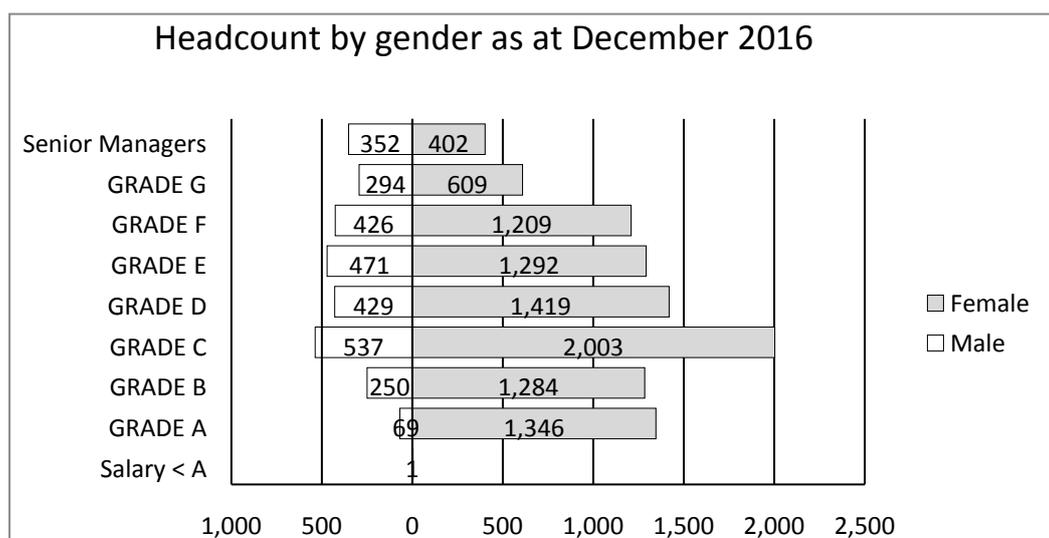
3.2 *This information provides for employed staff only, and not budgeted establishment. As can be seen by the data, there continues to be a reduction in senior managers, with an overall reduction of 16.7% between September 2010 and December 2016. The County Council's strategy of growing and*

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.

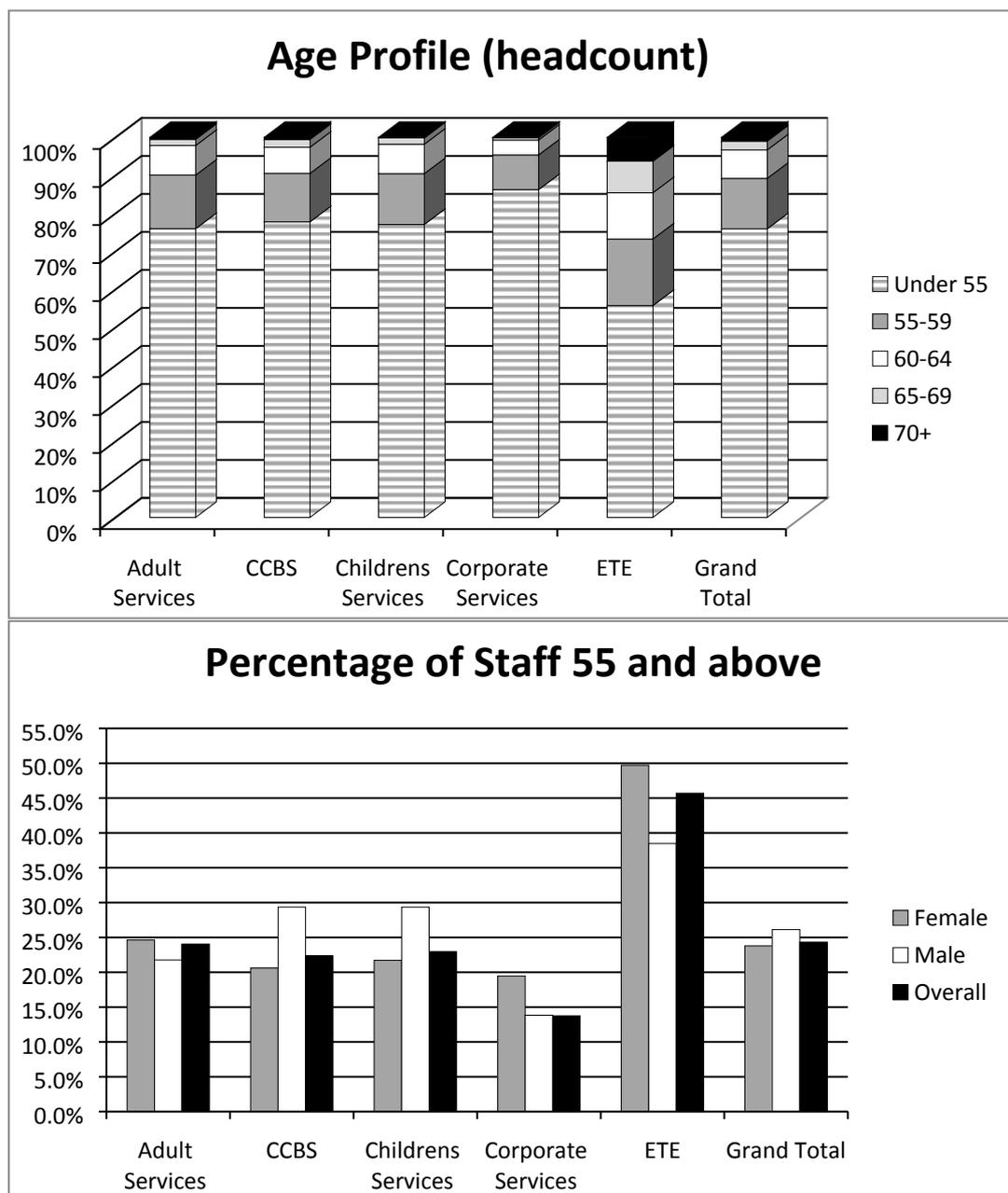
Grade	Sep-10	Dec-16		Overall Result Headcount	Variation
	Overall Result Headcount	Female Headcount	Male Headcount		
Senior Managers	863	402	352	754	↓
GRADE G	818	609	294	903	↑
GRADE F	2423	1209	426	1635	↓
GRADE E	2163	1292	471	1763	↓
GRADE D	2354	1419	429	1848	↓
GRADE C	3197	2003	537	2540	↓
GRADE B	1883	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.

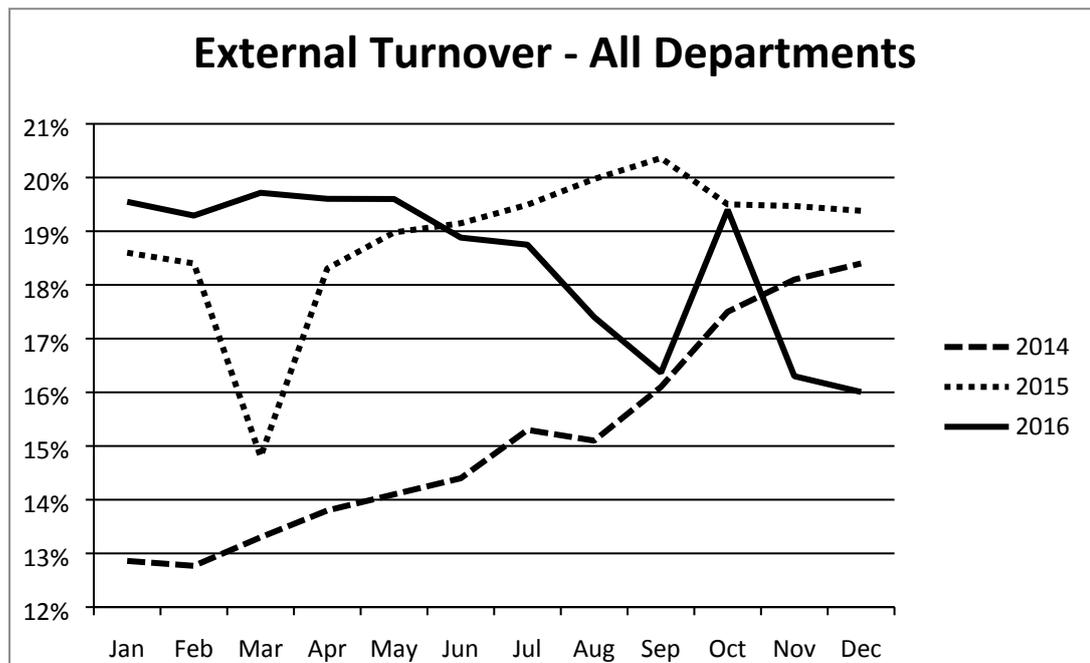


## 5. External turnover

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.

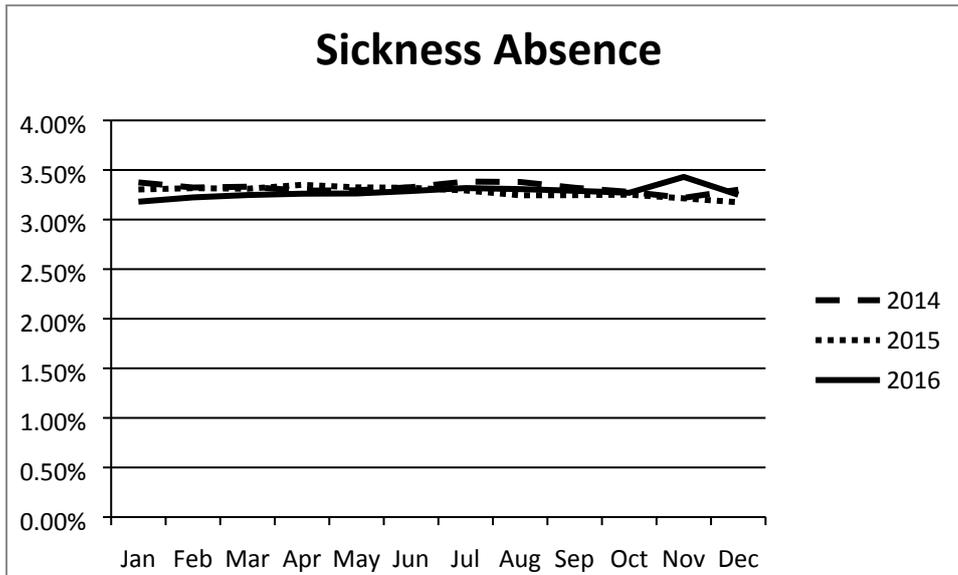
5.2 External turnover data reflects the long term trend towards reduced

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.



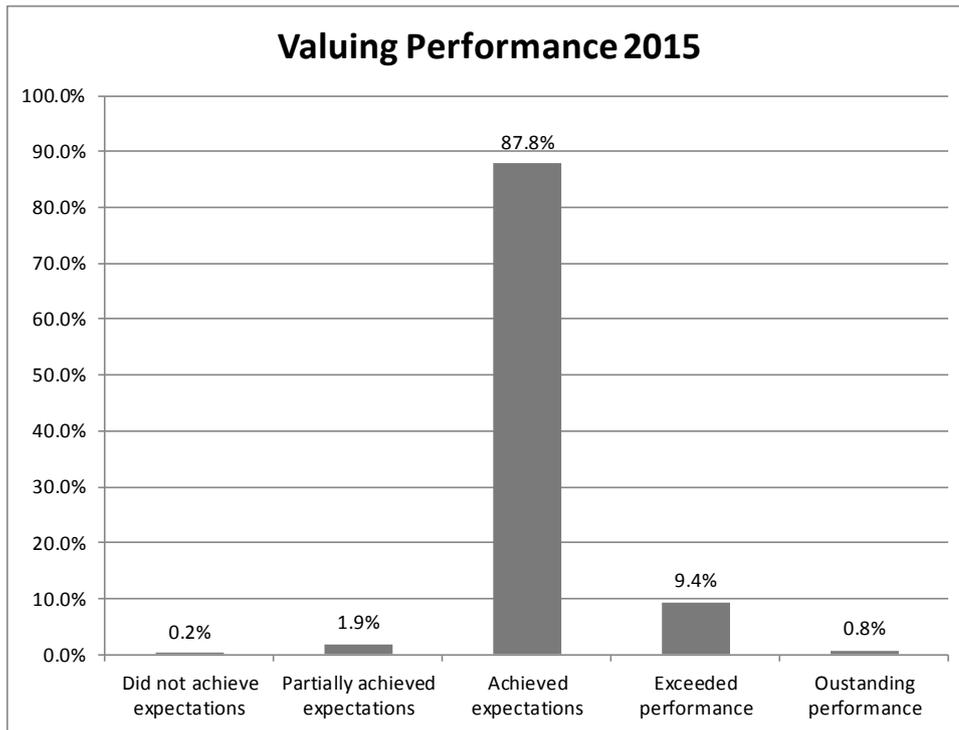
6.2 During 2016 sickness rates are consistently below the national average of 3.3% in the public sector (source CIPD Annual Survey Report: Absence Management 2016). The small increase in sickness absence in November 2016 was principally the result of seasonal illnesses (i.e. viral infections and colds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

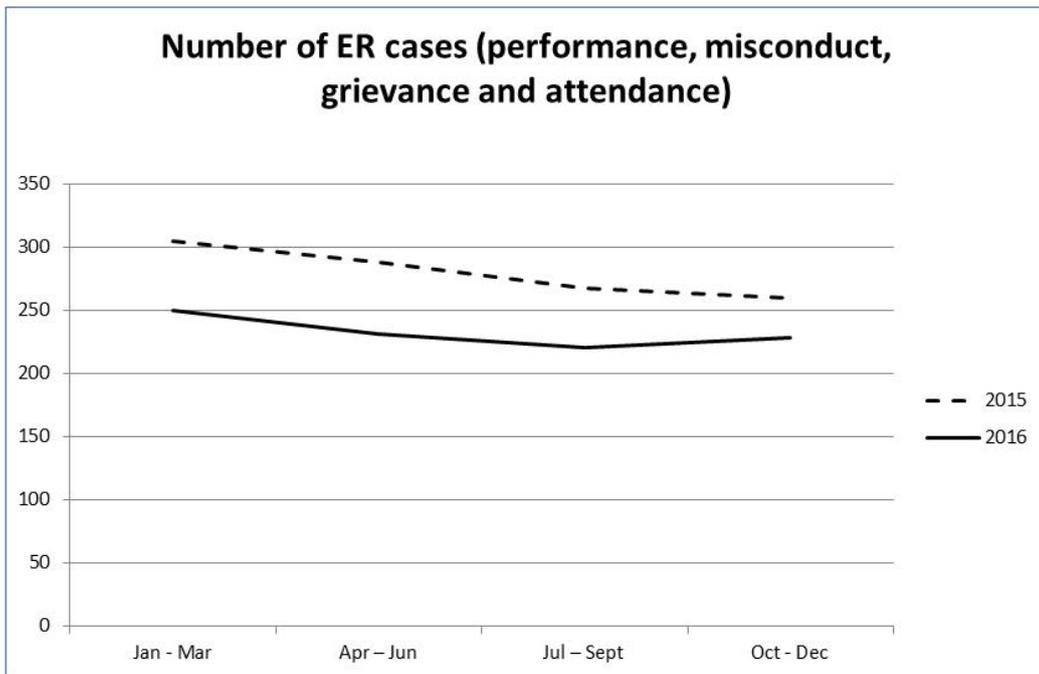
8.4 In addition, the Council is undertaking the following activity with the aim of impacting a number of recruitment and retention issues:

- 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

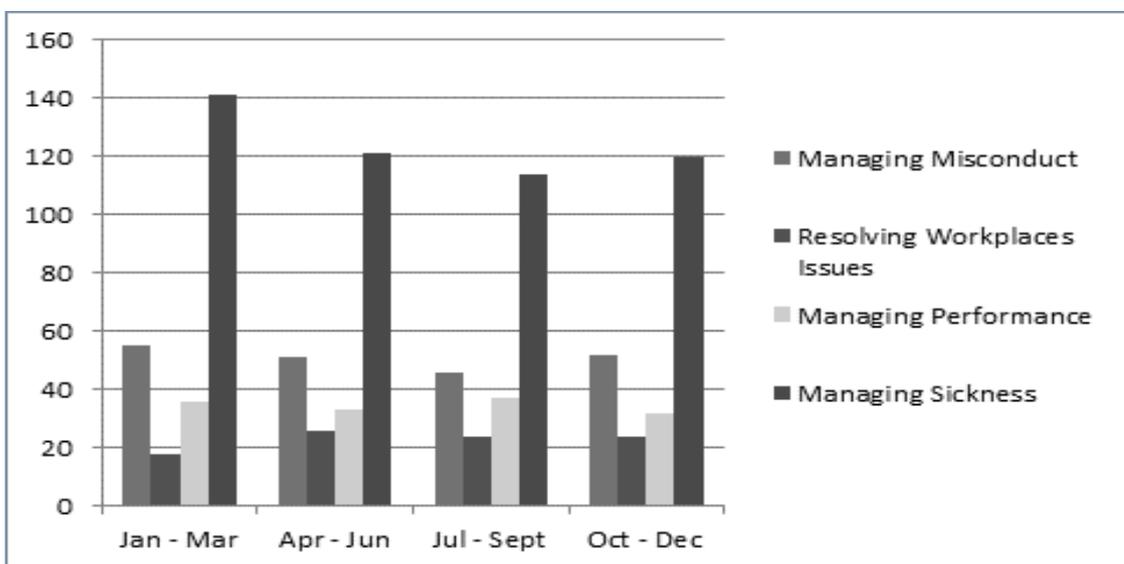
9.1 The following table and graph summarises the number of live employee relations cases for the categories of performance, misconduct, grievance and attendance during 2015 and 2016, by quarter:

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

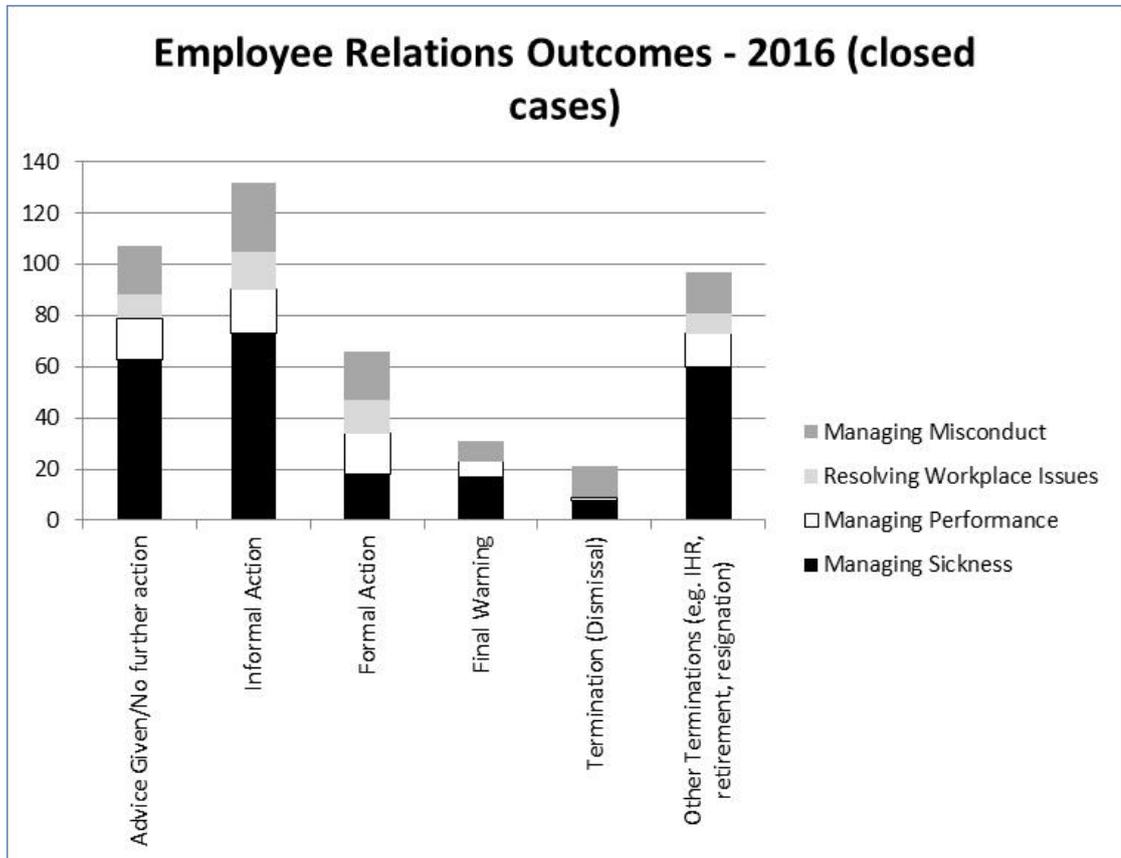


9.2 The following table summarises the number of cases by Employee Relations category by each quarter for 2016. A further breakdown by department is at Appendix 4.

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**

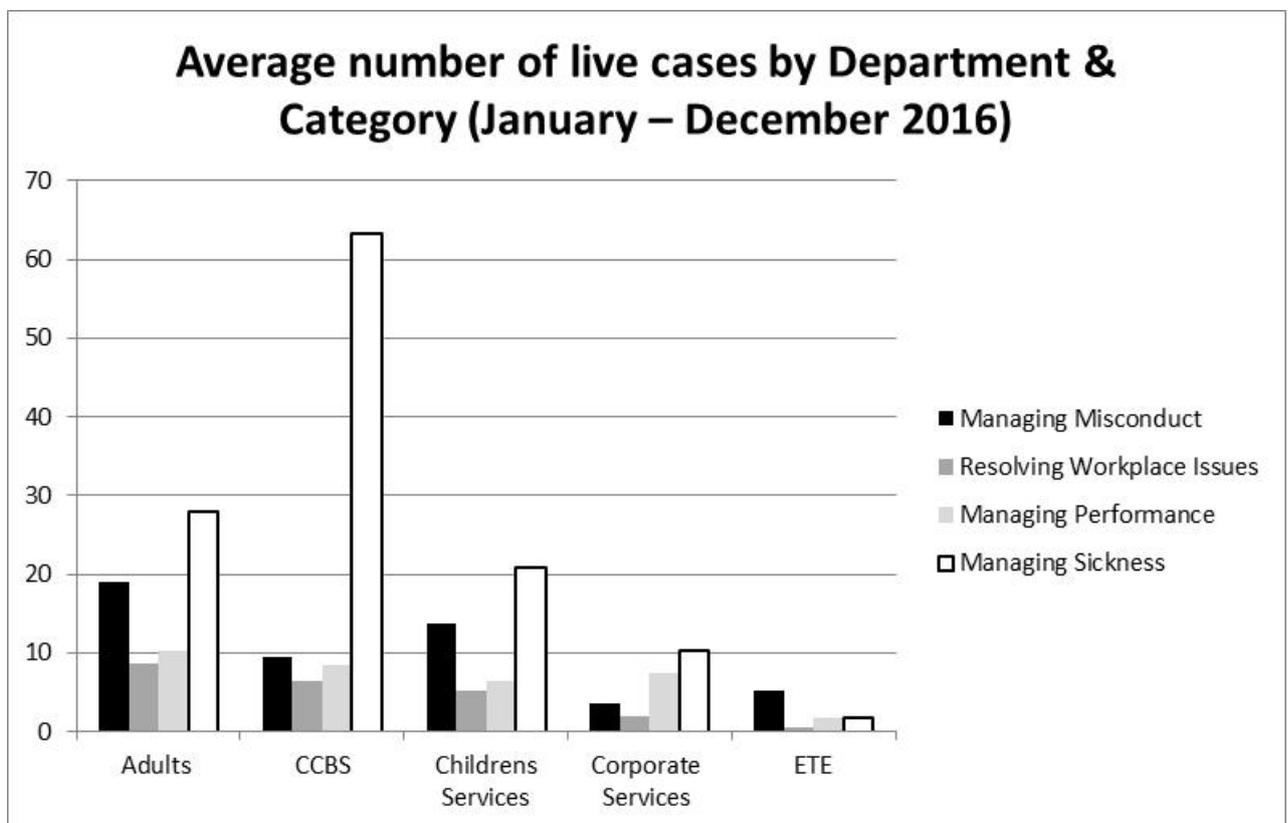
**Sickness Absence Data by percentage of working hours lost**

	<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

