REPORT of
DIRECTOR OF RESOURCES

to
FINANCE AND CORPORATE SERVICES COMMITTEE
14 JUNE 2017

HUMAN RESOURCES STATISTICS - QUARTER FOUR 2016 / 17

1.   PURPOSE OF THE REPORT

1.1   To present the Council's human resource statistics for the period 1 January 2017 to 30 March 2017. The main purpose of the report is to provide an update on the levels over the past quarter of vacancies, staff turnover, sickness absence, staff numbers and staff data to meet equality standards, as well as to report on key statistics for the 2016 / 17 financial year.

2.   RECOMMENDATION

That the contents of this report are noted.

3.   SUMMARY OF KEY ISSUES

3.1   This report is for Members' information only.

3.2   **Labour Turnover**

3.2.1   **Quarter 4 (Q4):** The staff turnover was based on an average 231 staff employed in post between 1 January and 31 March 2017. There were seven leavers and four starters in Q4.

3.2.2   Service level turnover for Q4 2016 / 17 is as follows:

Directorate	Leavers	Reasons for Leaving	Q4 *Average*[*1] Headcount	Average Full Time Equivalent (FTE) per Service	% of Service Staffing that was a Leaver per Service
Corporate Core	0	n/a	6	5.41	0%
Resources	0	n/a	53.3	41.91	0%
Customers and Community	3	1 end fixed term contract 2 resignations	100.7	88.07	2.98%

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Directorate	Leavers	Reasons for Leaving	Q4 *Average*[1] Headcount	Average Full Time Equivalent (FTE) per Service	% of Service Staffing that was a Leaver per Service
Planning and Regulatory Services	4	4 resignations	71	62.15	5.63%
Total	**7**		**231**	**197.54**	**3.03%**

*1 – Average headcount: figure averaged from Q4 month ends

3.3 Recruitment

3.3.1 There has been a high volume of recruitment during Q4; a total of 26 external vacancies have been advertised, and a total of 3 internal opportunities. 10 posts have been within the Customers and Community Directorate (inclusive of 6 seasonal Leisure Attendants); 17 posts within the Planning and Regulatory Directorate and 2 in the Resources Directorate.

3.3.2 All external posts are advertised on the Council website as well as via social media including Facebook and Twitter, Indeed (one of the largest and free of charge job search engines), and via Job Centre Plus - and any other relevant professional journals / media where appropriate, ensuring as wide reach as possible to potential candidates.

3.3.3 A targeted recruitment campaign was run for 4 posts within the Planning and Regulatory Directorate, including the Director of Planning & Regulatory Services, Principal Planning Policy Officer, Development Management Team Leader and Building Control Officer. This campaign generated a great deal of interest with over 1,100 views of the advertisement page, and 560 entrances into the advertisement microsite that was set up to promote the role and the benefits of working for the Council.

3.3.4 A number of staff testimonials were used in the promotional material on the microsite, including:

'The opportunities for progression at Maldon District Council (MDC) are fantastic, I started at the Authority as a Technical Planner in 2013, my first job as a graduate. Since then I have progressed to Planning Officer, dealing with a varied caseload including minor residential schemes and change of use applications, and more recently to Principal Planning Officer where my daily workload involves assessing application for major residential schemes, major commercial schemes, waterside development and a variety of appeals.'

'I recently completed my Master's degree which was sponsored by Maldon District Council; for me I think there were three great things about being sponsored. The first was the time that the Council allowed me to attend University to study, something that would have been difficult if I had to do it outside of the working day. The second was the financial assistance which again, without it, would have made the decision to study much harder. Looking towards the future completing my Master's has meant I

am one step closer to becoming a Chartered Professional, a valuable asset for both the Council and myself.'

3.3.5   All internal vacancies / opportunities were advertised via the Maldon District Council (MDC) intranet.

3.3.6   Please see below the external vacancies for Q4 2016 / 17:

Directorate	Posts Advertised	Positions	Post advertised on MDC website, Indeed, Twitter and Facebook?
Customers and Community	Leisure Supervisor and Attendants	6	Yes
	Revenues Assistant	1	Yes
	Tourist Information Centre (TIC) Assistant (Burnham-on-Crouch) Fixed Term Contract (FTC)	1	Yes
	Administration Officer, Community Protection	1	Yes
Resources	Director of Resources	1	Yes
Planning and Regulatory Services	Planning Policy Manager	1	Yes
	Principal Planning Policy Officer	1	Yes
	Planner Career Grade	3	Yes
	Development Management (DM) Team Leader	1	Yes
	Principal Planning Officer DM	2	Yes
	Building Control Officer	1	Yes
	Director of Planning and Regulatory Services	1	Yes
	Economic Development and Partnership Manager	1	Yes
	Economic Development Officer (Magnox) (FTC)	1	Yes
	Homelessness Officer	1	Yes
	Homelessness Prevention Officer	1	Yes
	Essex Multi-Agency Risk Assessment Team (MARAT) – Housing Liaison Officer (MDC hosting only)	1	Yes
	Environmental Health Officer	1	Yes
	Total Posts	**26**	

3.3.7 Please see below the internal vacancies for Q4 2016 / 17 (internal opportunities):

Directorate	Posts Advertised	Positions	Post advertised on Intranet?
Resources	Cleaner	1	Yes
Planning and Regulatory Services	Environmental Health Officer HMO Survey Project	1	Yes
Customers and Community	TIC Assistant (FTC)	1	Yes
	TOTAL POSTS	**3**	

3.4 MDC as an Employer of Choice

3.4.1 The Employment Deal Diagnostic (TEDD) employee engagement mini staff survey that was conducted in 2016 showed that **81%** of staff surveyed would recommend MDC as an employer of choice. In comparison, in 2014 only **59%** of staff stated that they would recommend MDC as an employer of choice.

3.4.2 This clearly demonstrates that interventions implemented by the People, Policy and Performance Team, via the Workforce Development Plan are having a positive effect on staff attitudes in relation to MDC as an employer.

3.4.3 This was taken from a survey base of 145 staff, a response rate of 66% which is amongst the highest ever recorded in the sector.

3.5 Off Payroll Workers: Changes to IR35 [Intermediaries legislation]

3.5.1 From April 2017, the responsibility for assessing whether intermediaries legislation applies and subsequently paying the relevant tax and National Insurance Contributions (NICs) moved from the individual working, to the public sector employer, agency or third party, who have to decide if the rules apply to a contract and if so, account for and pay the liabilities and deduct the relevant tax and NICs. Failure to comply can lead to a fine.

3.5.2 A full assessment was carried out prior to April of MDC's off payroll workers to determine status and to take appropriate action to ensure that legislation is followed.

3.5.3 At the time of writing, where this change in legislation will appear to be most problematic for MDC is where resource required is scarce due to a lack of skill or knowledge. This may lead to having to pay additional contributions as if a PAYE temporary worker or convert the employee status at the evaluated rate of the role with potential labour market supplements to manage the risk.

3.5.4 All off payroll workers are subject to a number of checks prior to working with MDC, including an IR35 status assessment.

3.5.5 MDC is currently finalising the Agency Workers Policy, which takes into account the new legislation, and is planned to be submitted for approval at the September Finance and Corporate Services Committee meeting.

4.   STAFF INDUCTION PROCEDURE

4.1   The Staff Induction Procedure has recently been revised and a more robust process has been developed, which now commences prior to the employee commencing work with the Council. The compulsory Procedure, which consists of a local induction by the employee's Line Manager and attending a Corporate 'Welcome' and Corporate Induction event, will ensure that new employees are fully introduced to the culture, values, policies and procedures of the organisation. All line managers received training in the new Induction Procedure.

4.2   The new Corporate Welcome and Corporate Induction events were launched to the first cohort in March this year, with the next planned for June. These will be scheduled at regular intervals during the year.

4.3   The Council recognises that staff are our most important asset. Having a comprehensive, structured induction process has been shown to play a big part in improving long-term staff retention. It is also an essential part of on boarding new recruits and familiarising them with the organisation. Getting the induction process right can help employers to get new employees up to speed and productive as quickly as possible*[2].

*[2] ACAS 2012, Workplace Snippets, Induction: Getting the first few days right.

5.   STAFF SICKNESS LEVELS

5.1   The figures for Q4 with regards to sickness have decreased very slightly from Q3 2016 / 17, from 3.3 total days lost per FTE, to 3.23 total days lost per FTE. The short term absence sickness figures for Q4 show a slight increase compared to Q3 2016 / 17, from 1.31 to 1.55 total lost days per FTE; and the long term absence figures have decreased slightly from 1.99 to 1.68 total lost days per FTE.

5.2   A slight increase in short term absence is usual during the winter months - 40% of short term absences in Q4 were due to 'Cold, Flu and Infectious Diseases'.

5.3   The total days lost per FTE (short and long term absence combined) for the 2016/17 financial year remain at the same level as 2015/16, at **12.4** days lost per FTE. The **national average** level of employee absence was 6.3 days in 2016 *[3] and the **public sector average** number of days off sick for 2016 was 8.5 days*[4]. The average days lost per FTE for 2015/16, is 8.5 days for **District/Borough authorities** in the Eastern Region.

5.4   Historical overall performance levels regarding days lost due to sickness absence are shown below per FTE reflective of the total of long and short term absence. Please note, these figures are totals of all four quarters for each of the years:

2016 / 17	12.4 days FTE		**2010 / 11**	12.6 days FTE
2015 / 16	12.42 days FTE		**2009 / 10**	8.5 days FTE
2014 / 15	12.23 days FTE		**2008 / 09**	8.1 days FTE
2013 / 14	7.56 days FTE		**2007 / 08**	12.9 days FTE
2012 / 13	5.64 days FTE		**2006 / 07**	14 days FTE
2011 / 12	5.2 days FTE			

Figure 1

Please find below the sickness for each quarter for 2015 /16 and 2016 / 17:

2016 / 17	Quarter One		Quarter Two		Quarter Three		Quarter Four		Cumulative Figures	
	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE
Short Term Absence	237.94	1.25	241.39	1.21	259.46	1.31	**306.53**	**1.55**	1045.32	5.32
Long Term Absence	290.83	1.52	372.46	1.89	393.37	1.99	**331.78**	**1.68**	1388.44	7.08
Total	528.77	2.77	613.85	3.1	652.83	3.3	**638.31**	**3.23**	2433.76	**12.4**

2015 / 16	Quarter One		Quarter Two		Quarter Three		Quarter Four		Cumulative Figures	
	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE	Total Number of FTE Days Lost	Total Days Lost per FTE
Short Term Absence	155.09	0.76	178	0.82	325.66	1.65	287.7	1.31	946.45	4.54
Long Term Absence	574.00	2.83	445	2.19	281	1.27	363.49	1.59	1663.49	7.88
Total	729.09	3.59	623	3.01	606.67	2.92	651.19	2.9	2609.95	**12.42**

5.5 The Chartered Institute of Personnel and Development report that the top two most effective approaches for managing short and long term absence include line managers having primary responsibility for managing absence and providing sickness absence information to managers.

5.6 All line managers received training on the new Attendance Management Policy in February / March and managers now receive a monthly report showing sickness absence trigger information via a 'Bradford Score' report generated by the new HR system. This shows the manager where action must be taken to instigate the formal absence management process with their staff. Other interventions that have been introduced to reduce sickness absence include the mandatory introduction of return to work interviews, the completion of which is monitored, and the provision of a new and highly responsive occupational health provision in the last financial year. HR continues to work closely with managers to ensure that all absence cases are managed appropriately and in accordance with policy. Line managers are also required to report back on their actions taken to manage attendance on a monthly basis to HR.

5.7 It is hoped that the new Policy and processes will facilitate a reduction in average sickness absence levels closer to the eight days MDC target figure.

5.8 At any one time one worker in six (16.6%) will be experiencing depression, anxiety or problems relating to stress. 3.4% of MDC employees were off in 2016 / 17 due to long term stress (50% of which was mainly work related). Out of all long term absence cases, 44% were due to stress, depression, anxiety or mental health related conditions (50% mainly work related; 50% mainly home related).

5.9 Time off work due to stress is estimated to cost UK employers £26bn per year, equivalent to £1,035 for every employee in the UK workforce, according to the Centre for Mental Health. Its research shows that £8bn of that could be saved by employers taking simple steps to manage mental health in the workplace*[5].

5.10 We are continuing to take proactive steps to help focus on wellbeing and manage stress and mental health issues in the workplace. A new Managing Work Related Stress policy was launched at the start of the year and all managers have received training on the new Policy. In addition a Managers Good Practice Guide to Managing Stress has also been produced and promoted. General stress management training was delivered last year and compulsory stress management training for managers is planned for Summer 2017. In November 2016 the People, Performance and Policy team collaborated with the Mind Body and Soul Group on national Stress Awareness Day where the support and resources available to staff were promoted. A stress and mental health resources area has also been set up on the intranet and is regularly promoted to staff.

*3 Chartered Institute of Personnel and Development (CIPD) Annual Survey Report: Absence Management, Public Sector Summary 2016
*4 CIPD
*5 UK Centre for Mental Health

6. WORKFORCE STATISTICS

6.1 Please see **APPENDIX 1** attached to this report for the key statistics relating to staff including headcount, gender, sex and ethnic origin across the workforce.

7. CONCLUSION

7.1 The figures for Q4 with regards to sickness have decreased very slightly from Q3 2016 / 17, from 3.3 total days lost per FTE to 3.23 total days lost per FTE. The short term absence sickness figures for Q4 show a slight increase compared to Q3 2016 / 17, from 1.31 to 1.55 total lost days per FTE.

7.2 The total days lost per FTE (short and long term absence combined) for the 2016 / 17 financial remain at the same level as 2015/16 at **12.4** days lost per FTE. It is hoped that the new Attendance Management Policy, processes and management training, will help reduce MDC absence rates closer to the eight days MDC target figure.

7.3 It is hoped that the new Induction procedure will have a positive impact on the engagement, productivity and retention of staff.

8.   **IMPACT ON CORPORATE GOALS**

8.1   The implementation of the new Attendance Management Policy is critical to ensure that staff attendance levels are kept at the highest possible level to ensure resourcing is adequate in order to deliver an effective and efficient service for our customers.

9.   **IMPLICATIONS**

(i)   **Impact on Customers** – No direct impact on customers from this report, although the wider staff context concerning recruitment, vacancies and sickness has an impact on the ability to deliver services to customers.

(ii)   **Impact on Equalities** – More detailed information on the protected characteristics of the Council's workforce, is now available on the new Human Resources system. This will allow the team to consider the needs of those groups when writing new Policies and Procedures and when carrying out its functions.

(iii)   **Impact on Risk** – Effective and proactive management of staff sickness and recruitment helps mitigate risk.

(iv)   **Impact on Resources (financial)** – The cost of advertisements and other necessary costs related to recruitment are included within current approved budgets.

(v)   **Impact on Resources (human)** – HR continues to regularly provide advice and guidance to both employees and managers on how best to manage attendance using the good practice steps outlined within the Managing Attendance Policy and Procedure. Staff absences do affect direct colleagues and this is addressed by the use of the Managing Attendance Policy with individuals.

(vi)   **Impact on the Environment** – None.

Background Papers: None.

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