

**Report for:** Staffing & Remuneration Committee 7<sup>th</sup> June 2016

**Item number:** 8

**Title:** People Management Report, Q4, January to March 2016

**Report authorised by :** Jacquie McGeachie, Assistant Director Transformation & Corporate Resurces

**Lead Officer:** Carole Engwell, HR Quality Assurance Manager

**Ward(s) affected:**

**Report for Key/ Non Key Decision:** Non-key

**1. Describe the issue under consideration**

The report provides the Committee with data regarding the workforce including non-employed workers, sickness absence and equalities data for the period January to March 2016.

**2. Cabinet Member Introduction**

Not applicable

**3. Recommendations**

The report is provided for information and for the Committee to note.

**4. Reason for decision**

Not applicable. The report is for noting.

**5. Alternative options considered**

Not applicable.

**6. Background information for Non-employed Workers**

6.1 The number of consultants, interims and agency workers has reduced this quarter while the spend for consultants/interims has also reduced, that for agency workers has slightly increased. During the quarter, five consultants opted to reduce their weekly hours (by an average of one day per week) and this has reduced the projected annual costs.

A comparison of spend and contract numbers over the four quarters is as follows:

	Consultants and Interims		Agency Workers	
	Number	Spend (gross)	Number (fte)	Spend
<b>Q4</b> March 2016	52	£1,173,585	337	£1,447,952
<b>Q3</b> December 2015	55	£1,258,639	357	£1,414,088
<b>Q2</b> September 2015	64	£1,010,825	395	£1,695,694
<b>Q1</b> June 2015	60	£1,677,321	424.	£1,868,269

Details relating to the number of contracts, starters and leavers for Consultants / Interims over the last two quarters is as follows:

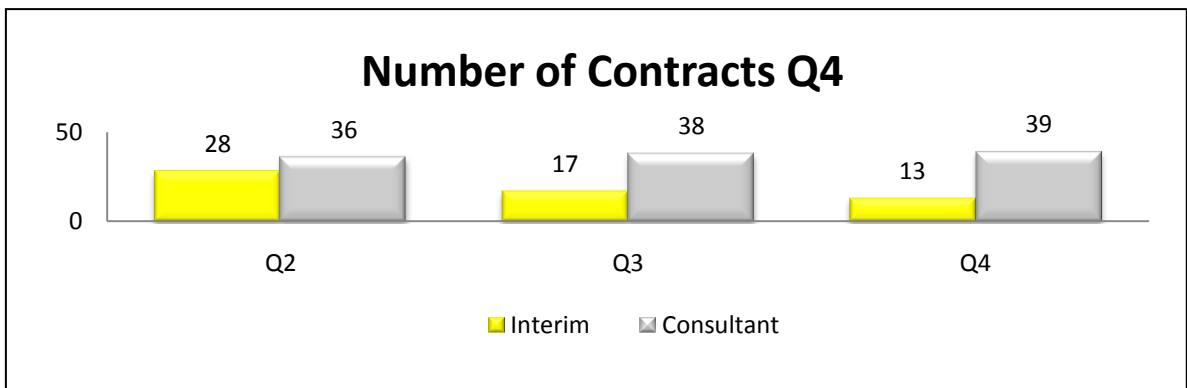
Details at the end of the Quarter	Q3		Q4	
Live contracts at end of quarter	55		52	↓
Number of leavers during the quarter	17		19	↑
Number of starters during the quarter	11		16 (*)	↔
Average length of service	13.6 months		14.9 months	↑

(\*) includes 5 existing contracts notified too late for inclusion in the Q3 report

- 6.2 Although 16 consultants contracts are new this month, five of these contracts relate to consultants who started towards the end of the last quarter but the details were notified too later to be included in the Q3 report. There were eleven new starters, only one of these is an interim manager covering an established vacancy.

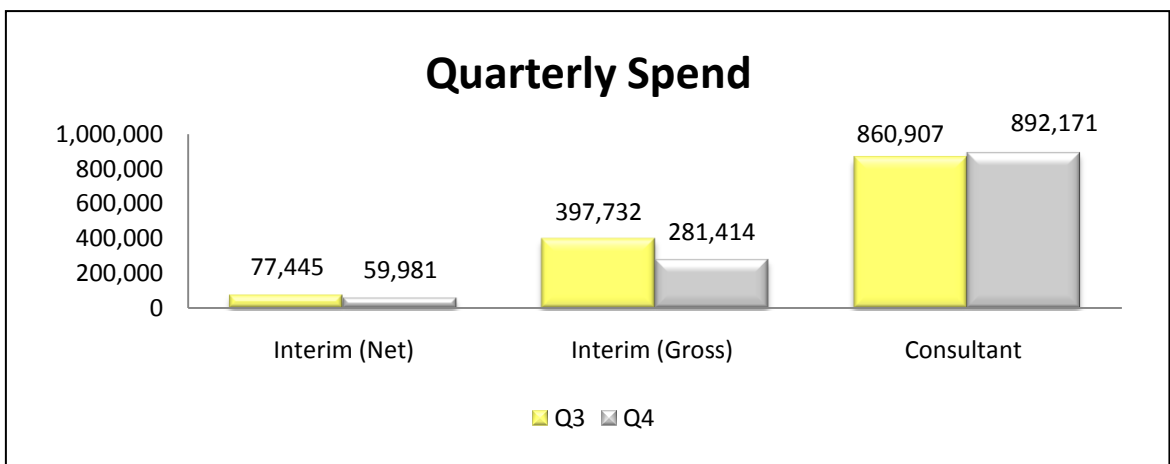
Although interviews for the post had been held in January no appointment was made and the post will be re-advertised.

- 6.3 The remaining new contracts are supernumerary, five are transformation projects assignments either in Housing or Adult Services, two are in Finance working on the procurement transformation project, one is working on a project related to commissioning adult services and one is in HR.
- 6.4 The new HR contract is for a supernumerary consultant was taken on to assist with the implementation of the exercise to TUPE into the Council the support staff who had previously been working in Homes for Haringey and the TUPE of staff to Homes for Haringey from Housing. The previous Head of HR in Homes for Haringey left before the transfer, so to ensure that it took place smoothly and with as little disruption to service delivery as possible, a temporary Head of Service was appointed and funded by Homes for Haringey. Plans are now in place to recruit to this post on a permanent basis.
- 6.5 The number of live contracts and the spend is as follows:



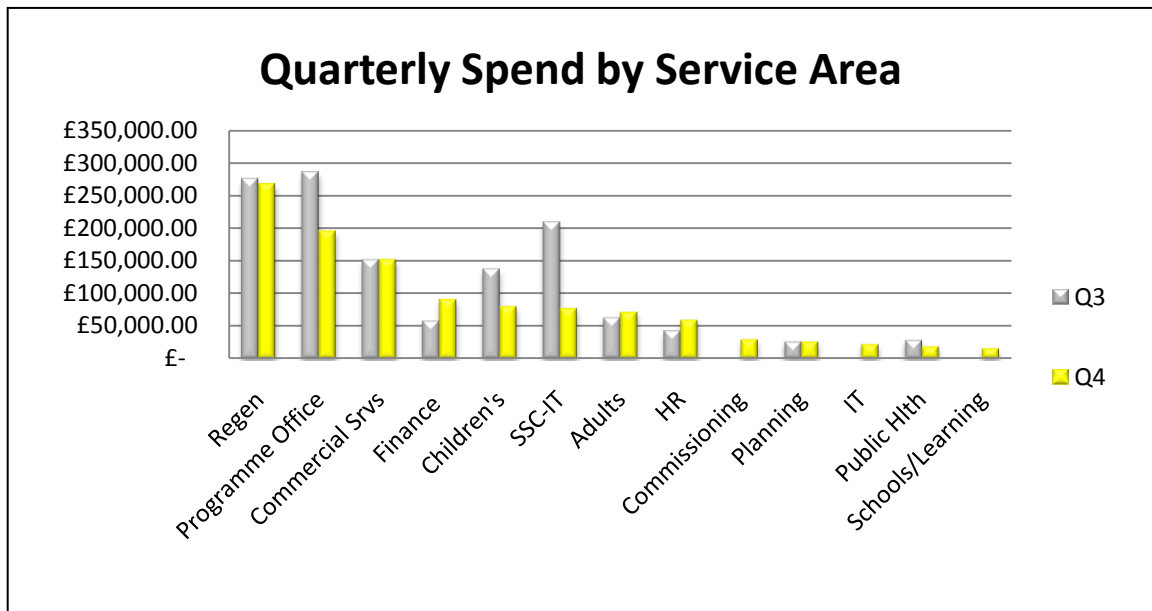
- 6.6 The number of Interim Managers contracted across the Council has continued to reduce. At the end of March 2015 there were 37 Interims contracted, at the end of March 2016 there were 13 a reduction of 24 posts over the year. However, as the transformation projects have begun to take effect and to become embedded, the number of consultants has risen by 8 posts over the same period.

Details of the quarterly spend broken down by net and gross spend on Interims is as follows:

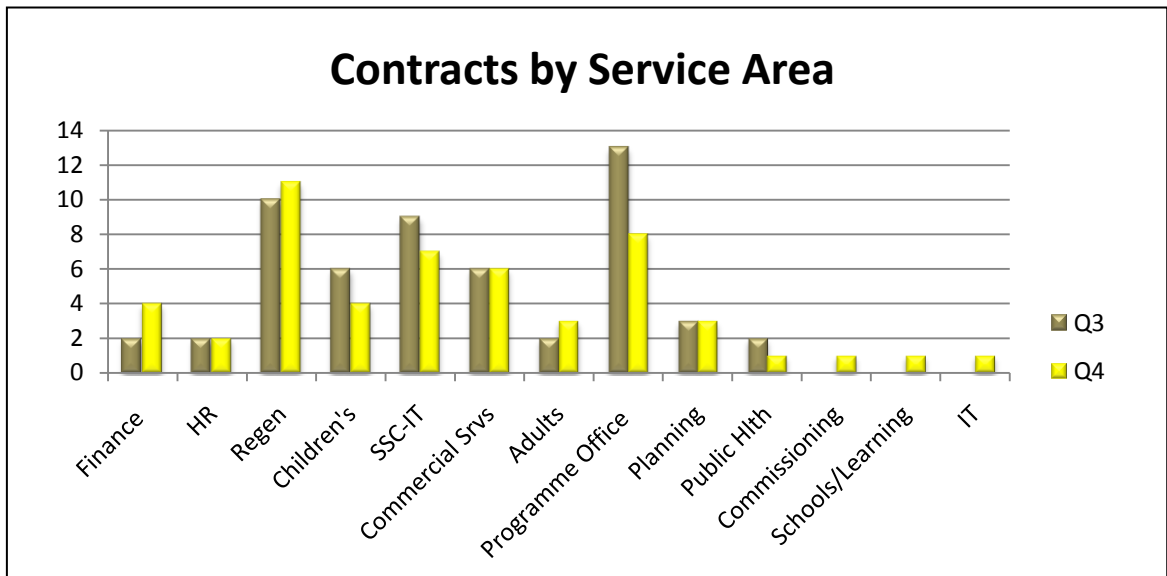


6.7 The consultants working on the main transformation projects (namely in housing, adult transformation and to a lesser extent business infrastructure) are mainly based in the Programme Office and this area along with Regeneration, continues to show the highest spend.

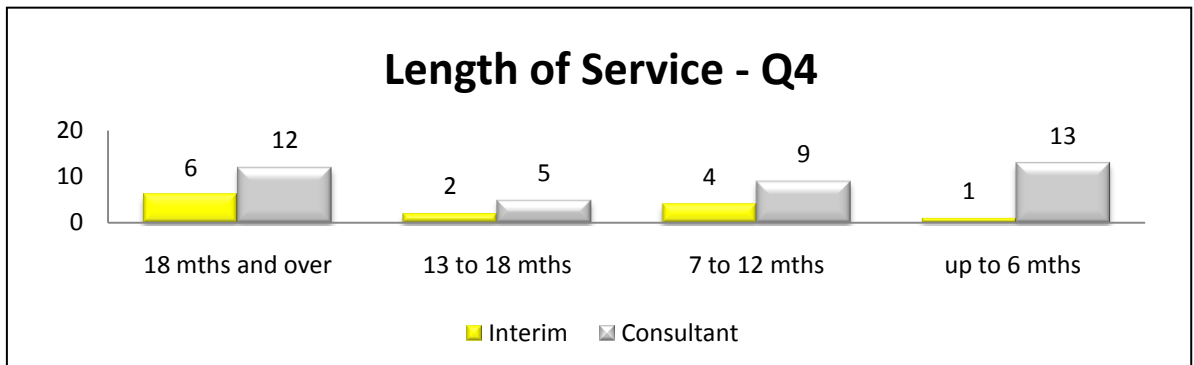
Details of the spend by service areas are as follows:



Service Area	Spend	Service Area	Spend
Regeneration	£ 266,960.00	HR	£ 59,600.00
Programme Office	£ 195,038.00	Commissioning	£ 30,000.00
Commercial Services	£ 151,700.00	Planning	£ 26,500.00
Finance	£ 91,239.00	IT	£ 22,600.00
Children's	£ 80,248.00	Public Health	£ 19,250.00
SSC – IT	£ 77,314.00	Schools/Learning	£ 16,150.00
Adults	£ 71,735.00	(blank)	



6.8 The average length of a contract is 14.9 months. The breakdown for the current quarter shown by Interims and Consultants is shown below. As is to be expected, those working on a longer term change project tend to have slightly longer contracts than those covering an established vacancy. As can be seen from the chart below, 14 contracts have been in place for 6 months or less, with 25 contracts in place for over 12 months.

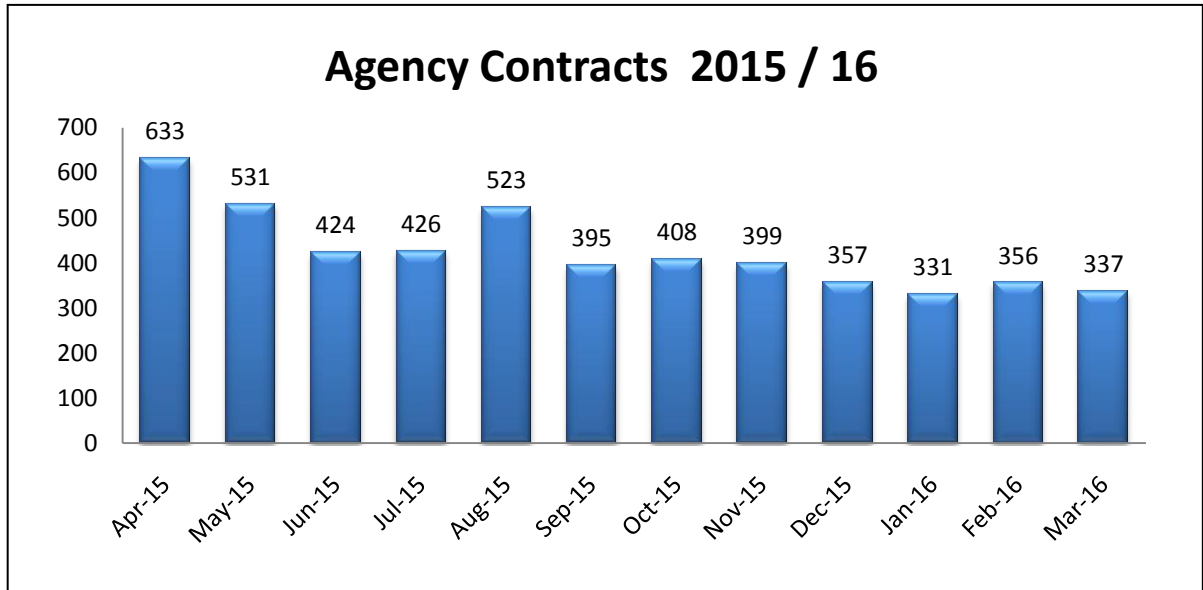


6.9 **Details of Agency Worker Contract and Spend**

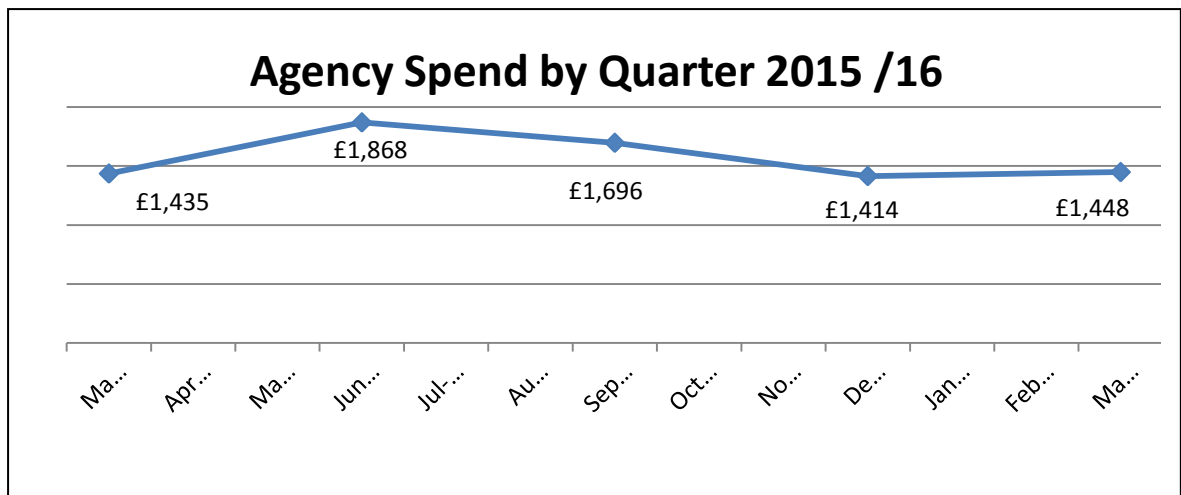
A summary of the spend and fte contracts over the quarter is as follows:

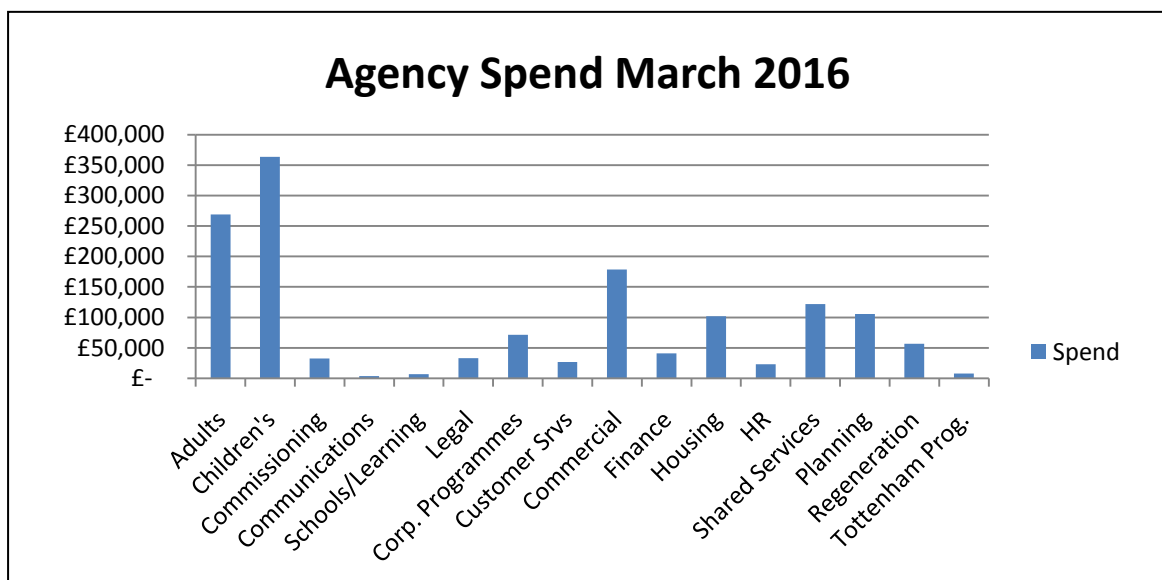
	January	February	March
Spend (£)	£1,334,984	£1,524,536	£1,447,952
FTE contracts	331	356	337

6.10 The number of contracts fluctuates when looked at over a relatively short time period, however when viewed over a twelve month period the reduction in contracts becomes more marked. In the twelve months to March 2016, the number of agency contracts reduced by 296.



6.11 However, the spend over the same period has barely moved at £1.4m per month. As detailed in the last report, the main reason for this is due to an increase in agency rates especially for social care staff.





AREA	SPEND	AREA	SPEND
Adults	26,871	Finance	£41,172
Childrens	£363,564	Housing	£101,667
Commissioning	£62,296	HR	23,052
Communications	£3,589	Shared Services	121,977
Schools/Learning	£6,715	Planning	105,404
Legal services	£33,028	Regeneration	£56,806
Corporate Progs	£71,72	Tottenham Prog.	£7,615
Commercial/Operations	£178,366		

At the last meeting the Committee asked for details regarding the high level of spend in Environmental Services (renamed as Commercial & Operations) . The Assistant Director for the area reports that in December 2015 eight eight agency staff were employed. There was a reliance on agency staff in difficult to recruit areas such as Highways Engineers and Civil Enforcement Officers. The Catering Service was also reliant on agency staff to ensure service delivery but this service is no longer provided in house and a reduction in both spend and agency contracts can be seen during the January – March period. Highways engineers are now recruited through our contractor Ring Way Jacobs. We have moved many CEOs to permanent employment contracts following a recruitment process but have experienced delays in obtaining DBS clearance.

## 6.12 Workforce Data

The workforce remains predominantly female with women making up 68% of the workforce. Women outnumber men in all grades including senior grades. The average age of a council employee is 47, this has been consistent for the past few years. 37% of the workforce are aged 45 – 54 with employees under the age of 24 making up only 1.5% of the workforce.

1,360 staff (52%) of staff are from a black, asian or minority ethnic (BAME) background, compared to 743 (28%) of white staff.  
The breakdown of ethnicity by grade is as follows:

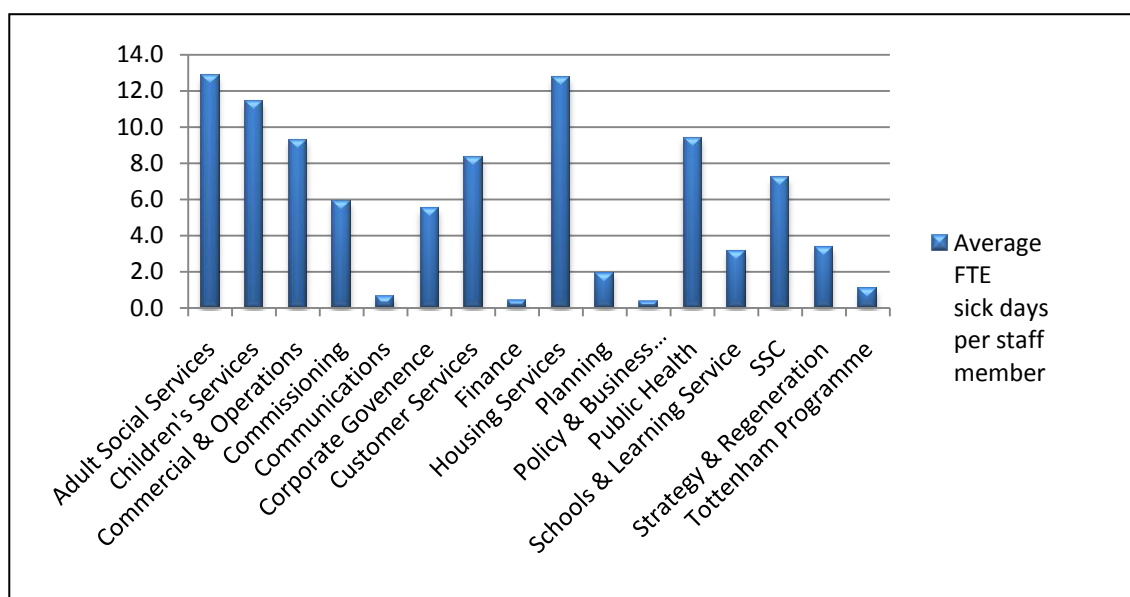
	Sc1-5	Sc6-SO1	PO1-3	PO4-7	PO8 +	Other grades
BAME	66%	56%	47%	41%	23%	44%
White	17%	21%	31%	38%	62%	35%

### 6.13 Sickiness Absence

The average number of days absence per employee was 8.7 at the end of March 2016, an increase over the average 8.3 days at the end of December. The council's target is 6 days absence per employee in a rolling twelve month period.

55% of all absence at the end of March 2016 was classified as long term (20 days or more) a reduction of 3% during the last three months. The average cost of absence over the twelve months to February 2016 was £1,973,043.

6.14 At the last meeting, the Committee requested details of the average number of fte sickness days by individual service areas. The information for the twelve months to the end of March 2016 is as follows:



The three largest service areas within the council are Adult Services, Children's Services and Commercial and Operations and this corresponds with the highest number of sickness days recorded during the January – March period.



**7 Contribution to strategic outcomes**

7.1 The use of non-employed staff across the organisation contributes to the council's aim of moving towards a more flexible and agile workforce. The scale of change and number of areas that are undergoing restructuring will require this flexibility to continue. Consultants and Interim Managers bring with them a different skill set that have not previously been required in the workforce. These skills are being transferred to employees as the contracts progress.

**8 Statutory Officers' comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities**

8.1 The Assistant Director for Corporate Governance notes the contents of this report, and appendices 1 and 2. He comments; there appears to be no legal implications arising from this report.

8.2 The current regime in place supporting the engagement of agency, consultant and interim staff requires a completed business case setting out the funding available to cover the costs of these appointments. This ensures that the managers are taking full budgetary responsibility for their decisions and the requirement to provide regular business cases for extensions provides challenge to ensure that greater focus is placed on moving towards permanent recruitment or the positive and timely delivery of agreed outcomes.

**9 Use of Appendices**

Appendix 1 Consultant and Interim Spreadsheet

Appendix 2 Equalities Scorecard Q4

**10 Local Government (Access to Information) Act 1985**

Not applicable.